Consolidated Report of Texas Education Service Centers

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Prepared for the Texas Education Agency

Prepared by Gibson Consulting Group, Inc.

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Executive Summary

This consolidated report is being provided by the Education Service Centers (ESCs) of Texas to the Commissioner of Education pursuant to Rider 39 of the Appropriations Bill from the 82nd legislative session. Each year, beginning in 2011, the Commissioner of Education is to provide a consolidated report of the data described below no later than December to the Legislative Budget Board, the Governor's Office, and to the presiding officers of the standing committees with primary jurisdiction over public education in the Texas House and the Texas Senate.

The purpose of this report is to demonstrate the savings achieved by school districts as a result of services provided by an ESC. Rider 39 prescribes that ESCs shall report the following data related to expenditures in the prior state fiscal year:

- The amount of savings achieved by school districts as a result of services provided by an ESC, by total amount, and on a per student basis as measured by weighted average daily attendance (WADA).

  Depending on the product or service, savings can be calculated based on a school district's cost if (a) it were to provide the service internally or (b) it used another outside source for the product or service.

- Services provided by ESCs and a cost comparison to similar services provided by alternative providers.

  *This requirement is assumed to represent the difference in **unit** costs between ESC products and services and those of alternative providers – as opposed to savings estimated above.*

- For each service provided by the ESC, the number of full-time equivalent (FTE) ESC positions, total salaries, and the source(s) of funding associated with the service.

ESCs provide a wide array of services and products to school districts under multiple pricing structures. For purposes of this report, data was collected on services in the following four categories:

A. **Professional Development**. Professional development services provided by the ESCs include training for board members, administrators, teachers, auxiliary staff and others.

B. **Products**. During the 82nd legislative session, the ESCs developed a list of the major products offered to school district clients. These products include application software, instructional materials, printing, and internet filtering.

C. **Direct Services**. Direct services provided to school districts vary significantly among the ESCs. These services include staffing (librarians, counselors, nurses, business managers), technology

services, legal services, auditing services and other resources provided to districts generally on an annual basis.

D. **Technical Assistance**. Technical assistance is differentiated from direct services primarily by the short-term nature of assistance provided as opposed to the type of service. School districts purchase technical assistance on a temporary or ad-hoc basis, not making an annual commitment to use the service. For example, technology support services can be provided by an ESC on an annual basis to districts (direct service), or on a short-term, ad hoc basis (technical assistance).

Methodology

The primary objective of this report was to present cost savings to school districts and charter schools that are achieved through the purchase of ESC products and services. Rider 39 speaks only to the cost savings and staffing costs of ESC products and services. No information relating to the perceived "quality" of ESC services was required by Rider 39 or collected from school district customers. In addition to costs incurred by school districts, the quality of service is likely a factor applied by school district leaders in their selection of products and services from ESCs and alternative providers.[1]

This report presents results based on a sample of services in the above four categories. This sampling approach was approved by the Texas Education Agency (TEA). All ESCs were asked to submit the types of services provided in each of these categories during the 2010-11 school year. Based on this data submission, five ESCs were selected for each of the four categories of services for additional data collection. To maximize the ESC representation in each of the four service categories, ESC selection for each category considered the student enrollment in the region, student demographics, density of the ESC service area, and the geographic location of the ESC. This approach ensured that each ESC was represented in the data collection.

To meet the reporting objectives of Rider 39, the following six tasks were performed:

[1] However, a separate report of client satisfaction of ESC services is conducted annually and is available from the Texas Education Agency.

Conclusions

It is important to place the conclusions of this report in the context of several limitations. This is the first year this information is being required/reported, and the legislation was passed at the end of the 2010-11 reporting school year. The ESCs did not have the opportunity to modify their cost tracking systems to generate this information for 2010-11, but expect to make some changes to improve the availability and comparability of pricing information in 2011-12 and beyond. Accordingly, this first reporting year should be considered preliminary information.

Throughout this price comparative study, methodologies were used to attempt to put the data in a format to make meaningful comparisons. However, the results here are imperfect for several reasons. For instance, ESCs and alternative providers do not always package identical services in the same format. In some cases, this made an exact comparison difficult.

Other limitations that the reader should keep in mind include:

- The analysis was conducted for a sample of products and services and for a sample of service centers. Each ESC was represented in one of four product/service categories for the pricing analysis.

- ESC services in any given category are not necessarily the same. Internet filtering, for example, is quite often provided to school districts and charter schools as part of a bundled technology service for e-rate purposes. However, not all ESCs provide the same bundling package. ESCs respond to their district's needs – identified through regional advisory councils made up of district superintendents – with services and pricing structures that best fit these needs. This, however, can make it difficult to compare pricing even among ESCs. Averaging vendor pricing structures, which may also include bundled services, presents a similar challenge.

- Language in the Rider required the amount of savings achieved by school districts as a result of using ESC services to be stated on a per student basis as measured by WADA. WADA is a

measure of the extent to which a school district's students in average daily attendance are participating in special programs (special education, career and technology education, bilingual education, compensatory education, and gifted education.) Calculated amounts of per-WADA savings or costs to school districts, however, is not as meaningful a number for the purposes of this price comparison as per enrollment because most pricing is done on a per-student basis. In addition, competitors and alternative providers do not price their products or services based on WADA.

- Extrapolation of sample savings (or costs) to statewide amounts was not feasible. Some of the ESC products and services (e.g., superintendent searches) are not targeted to all districts in the state. In other instances the price differentials were found to exist for certain sized districts, but those differentials may not be the same for larger or smaller districts.

In general our analyses found that **prices of ESC products and services were generally lower than alternate providers, creating savings for school districts that purchase them**. Out of 20 products or services selected in the sample, 15 comparisons were made. ESC prices were lower in 14 of the comparisons to alternative providers. In one instance, ESC prices were found to be higher.

There were five products/services where price comparisons were precluded due to (1) the lack of comparable alternatives or (2) the lack of ESC pricing data that could be compared to alternative provider pricing. Pricing structures varied significantly across ESCs, with some services priced as part of a broader cooperative or contractual arrangement involving a bundle of services. Grant revenue supported the revenues for some services, and in other instances ESCs established prices in amounts that merely recovered their incremental costs.

Table i-1 provides a summary of the savings or costs to school districts purchasing ESC products and services. Savings and additional costs are presented in total for the ESCs sampled, and a per-WADA savings or cost is estimated based on the WADA in purchasing school districts of ESCs sampled. The remainder of this report presents the results of the pricing analysis in the following four chapters:

I. Professional Development
II. ESC Products
III. Direct Services
IV. Technical Assistance

Following chapter IV is a list of ESCs and their primary contact information.

Table i.1. Summary of Savings and Costs to School Districts of Sampled ESC Services, 2010-11

ESC Products and Services	Savings (Costs) in Sample of ESCs	Savings (Cost) per WADA
Professional Development:		
▪ Board member training	$182,651	$0.10
▪ Teacher aide training	67,630 [(a)]	0.05 [(a)]
▪ Parent training	1,057,952	2.18
▪ Mentor teacher training	67,545	0.05
▪ Gifted and talented teacher training		
ESC Products:		
▪ ERP systems (TxEIS)	$4,517,630	$12.23
▪ ERP systems (iTCCS)	225,881 [(a)]	0.55 [(a)]
▪ Interactive TV	($32,338) [(a)]	(0.23) [(a)]
▪ Internet Filtering	$416,182	$0.74
▪ CSCOPE curriculum management system		
▪ Printing services		
Direct Services:		
▪ Legal services	$6,228	$0.03
▪ Hardware service and repair	1,577,395	20.63
▪ Nursing services	15,500	0.13
▪ Business manager services	540,355	28.19
▪ Superintendent search	4,400	0.40
Technical Assistance:		
▪ Curriculum development and management	$358,986 [(a)]	$1.72 [(a)]
▪ Classroom teacher support	95,794	0.06
▪ Special education support	18,233 [(a)]	0.02 [(a)]
▪ Low performing district support		
▪ Network and infrastructure services		

Note:

[(a)] Amounts could not be determined with available data.

Chapter I – Professional Development

Professional development services provided by the regional Education Service Centers (ESCs) include various types of training for board members, administrators, teachers, auxiliary staff, parents, and others. In our sample selection, the following five professional development offerings were chosen:

A. Board member training
B. Teacher aide training
C. Parent training
D. Mentor teacher training
E. Gifted and Talented (G/T) teacher training

Regions were selected for further analysis in the area of professional development with the intent of ensuring variability in the location within the state and size and socio-economic status of student population. The profile of the ESCs selected for the professional development comparative analysis is presented in Table 1.1.

Table 1.1. ESCs selected for Professional Development Services

Criteria	Region I	Region VI	Region IX	Region XI	Region XVII
Location	Edinburg	Huntsville	Wichita Falls	Fort Worth	Lubbock
Student Enrollment	408,254	170,976	38,354	540,157	80,923
Percent Economically Disadvantaged	85.2%	51.1%	55.3%	47.8%	61.3%
Square miles (Density)	10,515	12,110	10,513	7,745	18,966

Though some cost comparisons for professional development services were difficult to achieve due to the pricing structure of the ESCs, generally the ESCs provided professional development services at a significantly lower cost to school districts than alternative training providers. In several instances, ESCs provide training to districts and charter schools at no charge.

Cost analysis for each of the five types of professional development training offered through the ESCs included an examination of six factors:

1. 2010-11 ESC revenues for training provided
2. Unit price for training
3. Number of districts within the ESC using the training
4. Number of students (WADA) represented
5. Number of FTE staff at each ESC dedicated to training type

6. Cost of FTE staff (including local and state funding sources)

Once these data were examined, a cost comparison to alternative providers of the same services was conducted. Alternative providers were identified through market research and included in-state and out-of-state providers. To identify the amount of savings achieved by school districts and charter schools as a result of using services provided by an ESC in lieu of alternative providers (by total amount and on a per students basis as measured by weighted average daily attendance), the following were considered:

1. Average competitor rate per day
2. Average ESC rate per day
3. Percentage competitor fell above or below ESC cost
4. ESC training revenues

Following is a detailed discussion of the five professional development offerings including comparative data for alternative providers for these services.

A. Board Training

Texas Education Code (TEC) requires school board members to attend continuing education training. All newly elected board members are required to attend orientation training, and each board member is required to attend legislative update training following each regular and called session of the Texas Legislature. Further, all boards and their respective superintendents are required to attend team building training on a regular basis. Beyond these requirements, board members must also obtain additional continuing education hours on an annual basis. Some of the types of training available include setting superintendent goals, open meetings and public information act, and board operating procedures. ESCs provide opportunities for board member training to meet the requirements of the TEC as well as customized training to assist their member boards with specific issues.[2]

[2] http://www.statutes.legis.state.tx.us/Docs/ED/htm/ED.11.htm#11.159

Board Training Results:

- In the five selected regions, board training services generated $151,000 in ESC revenues from 254 districts and charter schools, representing approximately 1.9 million students (WADA).
- The total savings to school districts in the five selected ESCs was $182,651 and the per-WADA savings (of districts served) was $0.10.
- Competitor prices were, on average, 121 percent higher than ESC prices.
- ESCs dedicated between 0.08 and 0.6 FTEs to board training, virtually all supported by local funds. For the five ESCs combined, a total 1.34 FTE employees provided board training at a cost of $109,000.

Table 1.2 summarizes the comparative data for board training for the ESCs included in the professional development sample.

Table 1.2. ESC Data for Board Training

Professional Development: Board Training	Region I	Region VI	Region IX	Region XI	Region XVII	Consolidated Amounts
2010-11 Revenues	$0	$41,984	$9,769[2]	$64,135[3]	$35,064	$150,951
Unit price	N/A[1]	$45/person Or $500/board	Admin Coop $1,700 / district Prof Dev Coop $2,450/ district + $4.30 per ADA	Various[4]	New Board Member $40 Team Building[5] $250 Team Building[6] $350 As needed $350[7]	Not applicable
Number of districts using product	37	55	39	69	54	254
Number of students (WADA) represented	513,524	206,745	52,252	1,025,873	105,010	1,903,404
FTE staff	0.2	0.3	.08	0.6	0.16	1.34

Professional Development: Board Training	Region I	Region VI	Region IX	Region XI	Region XVII	Consolidated Amounts
FTE cost:						
Local funding	$29,871	$14,589	$12,497	$40,827	$9,698	$107,482
State funding	$0	$2,211	$0	$0	$0	$2,211
Total	$29,871	$16,800	$12,497	$40,827	$9,698	$109,693

Notes:

(1) Region I does not charge for board training services.

(2) Total revenue consists of $5,080 from local administrative cooperative and $4,689 from local professional development cooperative.

(3) Total revenue consists of $56,000 in contract services and $8,135 in on-site training.

(4) Pricing for Region XI board training has various price structures as follows:

At ESC	
Orientation to TEC	free
Update to TEC	free
On-Site Training	
Team of Eight (member)	$350
Team of Eight (non-member)	$650
Charter- Annual (member)	$650
Charter- Annual (non-member)	$1,300
Charter- New Trustee (member)	$1,300
Charter- New Trustee (non-member)	$2,600

(5) ESC staff trains district staff to train board members.

(6) ESC staff provides training to board.

(7) Price is negotiable.

Several alternative providers for board training were identified across the state and are shown in Table 1.3. Cost per participant hour assumes that there are an average of seven board members being trained per session. The average ESC cost was derived from converting board training fees for Regions VI, and XVII (the only two having board level pricing structures not through a cooperative) into a cost per participant hour. The average cost does not consider Region I's board services that are offered free of charge, or Regions IX and XI where membership fees are a component of the price.

Table 1.3. Comparative Data for Board Training

Alternative Provider*	Cost	Cost per Hour	Cost per Participant Hour
Provider A	$800 per full-day session	$100	$14.28
Provider B	$1,000 per full-day session	$125	$17.86
Provider C	$1,500/half-day $2,800/full-day	$375 $350	$53.57 $50.00
Provider D	$900/4-hour session	$225	$32.14
Average Cost	-	-	$33.57
Average ESC Cost	-	-	$15.18
% Above (Below) ESC Cost	-	-	121%

**Provider names have been masked.*

To estimate savings using ESC board training services, the percentage of competitor pricing above ESC pricing was multiplied by combined ESC revenue. These savings were then divided by the number of WADA served in districts receiving the services from the five selected ESCs. Table 1.4 presents the summary of total and per-WADA savings.

Table 1.4. Savings Calculations for Board Training

	Amount
ESC Board Training Revenues	$150,951
Savings from using ESCs (ESC revenues x 121%)	$182,651
WADA of districts served	1,903,404
Savings per WADA	$0.10

B. Teacher Aide Training

Teacher Aide Training Results:

- In the five selected regions, teacher aide training services generated $75,000 in ESC revenues from 178 districts and charter schools, representing approximately 1.14 million students (WADA).
- The total savings to school districts was $67,630 and the per-WADA savings (of districts served) was $0.05.
- ESC unit prices were, on average, 90 percent less than competitor services.
- ESCs dedicated between 0.1 and 1.2 FTEs to teacher aide training. For the five ESCs combined, a total 1.94 FTE employees provided teacher aide training at a cost of $106,000.

The pricing structure of teacher aide training varied among the ESCs surveyed. Region IX provides this training through two cooperative arrangements, while Region XI provides the training through an annual contract with districts. Region XVII does not charge its districts for teacher aide training.

The comparison of training services for teacher aides shows that with a majority of the alternative service providers, ESC pricing is substantially lower than alternative providers. Two of the ten alternative providers have per hour fees that are in the range of those charged by the ESCs; however, one of the alternative provider's fees represent a discounted rate that may not be applicable to all school districts.

Table 1.5 summarizes the comparative data for teacher aide training for each of the selected ESCs.

Table 1.5. ESC Data for Teacher Aide Training

Professional Development: Teacher Aides	Region I	Region VI	Region IX	Region XI	Region XVII	Consolidated Amounts
2010-11 Revenues	$7,400	$3,250	$17,255[1]	$47,240	$0	$75,145
Unit price	$200 per participant for 6-hour session	$350/4-hours $500/8-hours	NCLB Coop fees[2] Learning Resources Coop $817 annually[3]	[4]	No cost to districts	**Not Applicable**
Number of districts using product	7	7	38	97[5]	29	178

Professional Development: Teacher Aides	Region I	Region VI	Region IX	Region XI	Region XVII	Consolidated Amounts
Number of students (WADA) represented	55,231	21,087	52,010	1,224,001[6]	76,733	1,429,062
FTE staff	0.1	0.2	0.33	1.2	0.11	1.94
FTE cost:						
Local funding	$8,302	$15,328	$17,046	$0	$0	$40,676
State funding	$0	$0	$1,957	$0	$0	$1,957
Federal funding	$0	$0	$0	$57,236	$6,590	$63,826
Total	$8,302	$15,328	$19,003	$57,236	$6,590	$106,459

Notes:

(1) Local Title I NCLB Support Cooperative provides $936 of this revenue and the Local Learning Resources Cooperative provides $16,319.

(2) Districts are charged $3,000 annually plus 3 percent of their total combined Title funds REAP or 5 percent total combined Title funds non-REAP to participate in the NCLB Cooperative. Only 0.3 percent of this fee applies to teacher aid training.

(3) Total cost to participate in the Learning Resources Cooperative is $4,300 per district. Of this fee, 19 percent pertains to teacher aide training.

(4) Part of the Instructional Services Contract which is priced as follows:

$800 annual contract fee plus $0.85 per ADA (public schools) or $1.05 per ADA (non-public schools). Training fees are then $50 per contract participant or $100 per non-contract or out-of-region participant.

(5) Of the 97 participating districts, 20 are out-of-region districts or schools.

(6) Of the over 1 million students represented in this service, 467,782 are from out-of-region districts or schools.

Seven alternative providers were identified for teacher aide training, one of which is located out of state. Pricing information related to these alternative providers is shown in Table 1.6.

Table 1.6. Comparative Data for Teacher Aide Training

Alternative Provider*	Cost
Provider A	$1,000 per day
Provider B	$1,500 per day
Provider C	$1,500 per day
Provider D[1]	$475 per day
Provider E	$500 per day

Alternative Provider*	Cost
Provider F[2]	$2,000 per day
Provider G	$1,000 per day

**Provider names have been masked.*

Notes:

[1] Special pricing; may not be available to all districts.

[2] Out of state provider.

Table 1.7 provides a comparison of the average competitor price to the average ESC price and calculates savings to school districts on a total and per-WADA basis. Only one of the five regions (Region VI) charges for teacher aide training on a per day basis. Region VI charges $500 a day for a full-day training session and $350 for a half day session ($700 if converted to a full-day equivalent). An average of $600 per day was used for the ESC pricing.

Table 1.7. Savings Calculations for Teacher Aide Training

	Amount
Average competitor rate per day	$1,139.29
Average ESC rate per day	$600.00
% Above (Below) ESC Cost	90%
ESC Teacher Aide Training Revenues	$75,145
Savings from using ESCs	$67,630
WADA of districts served	1,429,062
Savings per WADA	$0.05

C. Parent Training

Parent Training Results:

- In the five selected regions, parent training services generated ESC revenues of $17,000 from 182 districts and charter schools, representing approximately 1.9 million students (WADA).
- The total savings to school districts could not be determined because three of the five ESCs did not charge a fee and the other two charged fees as part of a broader service contract. Savings for the three ESCS offering free services could be estimated by multiplying the average competitor cost ($2,765 per day) by the number of parent training sessions conducted.
- ESCs dedicated between 0.17 and 1.15 FTEs to parent training. For the five ESCs combined, a total 2.88 FTE employees provided parent training at a cost of $258,000.

Table 1.8 shows the comparative data for the ESCs in the sample that provide parent training to districts/charter schools. Three of the ESCs (Regions I, VI, and XVII) provide parent training to member districts/charter schools at no cost, while Region IX includes parent training in its Gifted and Talented Cooperative. Region XI offers parent training to member districts/charter schools through an annual contract.

Table 1.8. ESC Data for Parent Training

Professional Development: Parent Training	Region I	Region VI	Region IX	Region XI	Region XVII	Consolidated Amounts
2010-11 Revenues	$0	$5,000	$323	$12,090	$0	$17,413
Unit price	No cost to districts	No cost to districts(1)	G/T Coop $825 annually plus $2.25 per ADA(2)	(3)	No cost to districts	**Not Applicable**
Number of districts using product	39	19	39	60(4)	25	182
Number of students (WADA) represented	522,399	163,173	52,252	1,170,104(5)	82,128	1,990,056
FTE staff	0.53	0.7	0.33	1.15	0.17	2.88

Professional Development: Parent Training	Region I	Region VI	Region IX	Region XI	Region XVII	Consolidated Amounts
FTE cost:						
Local funding	$0	$7,880	$317	$0	$0	$8,197
State funding	$0	$3,497	$656	$0	$0	$4,153
Federal funding	$42,389	$39,809	$57,900	$92,945	$13,054	$246,097
Total	$42,389	$51,186	$58,873	$92,945	$13,054	$258,447

Notes:

(1) Customized training provided to districts for a fee.

(2) Services provided through the Gifted and Talented Cooperative at an annual cost to districts of $825 plus $2.25 per ADA. The parent training services represents 0.03 percent of cooperative services provided.

(3) Part of the Instructional Services Contract which is priced as follows:

$800 annual contract fee plus $0.85 per ADA (public schools) or $1.05 per ADA (non-public schools). Training fees are then $50 per contract participant or $100 per non-contract or out-of-region participant.

(4) Of the 60 participating districts, 18 are out-of region districts or schools.

(5) Of the 965,363 students represented in this service, 21,628 are from out-of-region districts or schools.

Ten alternative providers of parent training were identified, two of which are located out of state. Price information for alternative providers is shown in Table 1.9. Competitor daily rates range from $1,000 per day to $6,500 per day.

Table 1.9. Comparative Data for Parent Training

Alternative Provider*	Cost
Provider A	$1,000 per day
Provider B	$4,500 per day
Provider C[1]	$6,500 per day
Provider D	$1,500 per day
Provider E[1]	$3,500 per day
Provider F	$1,000 per day min of 12 participants
Provider G	$1,200 per day
Provider H	$1,200 per day
Provider I	$2,500 per day[2]
Provider J	$4,750 per day
Average Daily Rate	**$2,765**

**Provider names have been masked.*

Notes:

[1] Out of state providers.

[2] Includes up to two follow-up trainings.

The cost comparison is favorable to the ESCs since the majority of our sample does not charge its districts/charter schools for this training. Parent training daily rate calculations for the other ESCs were not possible because the price was part of a broader contract arrangement. Accordingly, cost savings could not be determined.

D. Mentor Teacher Training

Mentor Teacher Training Results:

- In the five selected regions, mentor teacher training services generated $560,000 in ESC revenues from 116 districts and charter schools, representing approximately 486,000 students (WADA).
- The total savings to school districts was $1.06 million and the per-WADA savings (of districts served) was $2.18.
- Competitor unit prices were, on average, 189 percent higher than ESC services.
- ESCs dedicated between 0.04 and 1.65 FTEs to mentor teacher training. For the five ESCs combined, a total 2.0 FTE employees provided mentor teacher training at a cost of $103,000.

The pricing structure that the ESCs charge for mentor teacher training varies widely. For instance, Region I provides multiple pricing options, some based on a per person cost ($50 for a cooperative member and $150 for non-cooperative member), as well as group prices. Region VI offers a Master Reading Teacher (MRT) program at $750 per participant, as well as literacy coach training at a cost of $45 per workshop. Region XI provides mentor teacher training at no cost to its districts, while Region XVII charges $27.85 per person per workshop.

Table 1.10 summarizes the comparative data for mentor teacher training for each of the selected ESCs.

Table 1.10. ESC Data for Mentor Teacher Training

Professional Development: Mentor Teacher Training	Region I	Region VI	Region IX	Region XI	Region XVII	Consolidated Amounts
2010-11 Revenues	$7,650	$18,865	$3,048	$140,000	$390,200	$559,763
Unit price	(1)	MRT program $750 Literacy Coach $45/workshop	(2)	No cost to districts	$27.85 per workshop	**Not Applicable**
Number of districts using product	16	29	24	32(3)	15	116
Number of students (WADA) represented	257,843	94,430	45,663	62,427(3)	25,469	485,832
FTE staff	0.1	1.65	0.085	0.125	0.04	2.0
FTE cost:						
Local funding	$9,284	$21,380	$3,006	$2,586	$2,406	$38,662
State funding	$0	$6,438	$2,887	$0	$0	$9,325
Federal funding	$0	$45,026	$0	$9,808	$0	$54,834
Total	$9,284	$72,844	$5,893	$12,394	$2,406	$102,821

Notes:

(1) $50/participant coop member
OR $150/participant non-coop member
OR $0 if Project PaCE intern District training $1,750 (max 60 participants) cooperative member
OR $2000 plus $30/participant non-coop member

(2) Mentor teacher training part of the Local Curriculum Enrichment Cooperative. Participation in the cooperative is charged on the basis of $7.00 per refined ADA. Mentor teacher training represents 1 percent of cooperative services.

(3) Includes seven districts participating in in-person training, and excludes 25 districts (representing 563,935 WADA) participating in on-line training.

Six alternative providers were identified for mentor teacher training, three of which are located out of state. The pricing information received from alternative providers reflects in-person training rates, and is presented in Table 1.11. For cost comparison purposes, it is assumed that 20 participants take part in each training session.

Table 1.11. Comparative Data for Mentor Teacher Training

Alternative Provider*	Cost	Cost per Participant (assumes 20 participants)
Provider A[1]	$3,000 to $4,000 per day ($3,500 average)	$175.00
Provider B[1]	$750 to $900 per day ($825 average)	$41.25
Provider C	$3,500 per half-day ($7,000 per full-day equivalent)	$350.00
Provider D	$1,500 per day	$75.00
Provider E	$395 per participant	$395.00
Provider F[1]	$5,000 per day	$250.00
Average		**$214.38**

**Provider names have been masked.*

Note:

[1] Out of state providers.

Table 1.12 provides a comparison of the average competitor price to the average ESC price and calculates savings to school districts on a total and per-WADA basis. Three of the five regions charge for mentor teacher training on a per-participant basis. Region I charges $150 per non-cooperative participant, which more closely resembles market rate. Other Region I prices for cooperative members were not considered in the price comparisons to alternative providers. Region VI charges $45 per participant and Region XVII charges $27.85 per participant. The average of these three rates – $74.28 – was used as the basis for comparison to alternative providers.

Table 1.12. Savings Calculations for Mentor Teacher Training

	Amount
Average competitor rate per day	$214.38
Average ESC rate per day	$74.28
% Above (Below) ESC Cost	189%
ESC Mentor Teacher Training Revenues	$559,763
Savings from using ESCs	$1,057,952
WADA of districts served	485,832
Savings per WADA	$2.18

When calculated on an hourly basis, assuming an eight-hour training day, the alternative providers range from a low of $62.50 to a high of $500 per hour for mentor teacher training. In addition, some of these providers also charge for travel expenses.

E. Gifted and Talented Teacher Training

Gifted and Talented Teacher Training Results:

- In the five selected regions, Gifted and Talented teacher training services were provided to 232 districts and charter schools, representing approximately 1.4 million students (WADA).
- The total savings to school districts was $68,000 and the per-WADA savings was $0.05.
- ESC unit prices were, on average, 11.6 percent less than competitor services.
- ESCs dedicated between 0.1 and 1.6 FTEs to Gifted and Talented teacher training. For the five ESCs combined, a total 3.17 FTE employees provided Gifted and talented Teacher training at a cost of $217,000 which primarily is local funding.

Regions I, VI, IX, and XVII provide Gifted and Talented training through broader service cooperatives, while Region XI provides the training through its Instructional Services Contract.

Region I has a pricing structure for member districts that is different than non-members, as well as a discounted price for group training for up to 40 participants (see Table 1.13).

Table 1.13. ESC Data for Gifted and Talented Training

Professional Development: Gifted and Talented Training	Region I	Region VI	Region IX	Region XI	Region XVII	Consolidated Amounts
2010-11 Revenues	$224,240	$153,588	$18,062	$61,600	$124,800	$582,290
Unit price	(1)	Annual fee of 1.33 percent of GT district allocation (min $1,450; max $12,350)	G/T Coop $825 per district plus $2.25 per ADA(2)	(3)	$64.73(4)	**Not applicable**
Number of districts using	32	49	38	70	43	232

Professional Development: Gifted and Talented Training	Region I	Region VI	Region IX	Region XI	Region XVII	Consolidated Amounts
product						
Number of students (WADA) represented	467,266	77,716	52,010	673,421	84,934	1,355,347
FTE staff	1.6	0.49	0.28	0.1	0.7	3.17
FTE cost:						
Local funding	$146,573	$13,425	$17,771	$0	$27,431	$205,200
State funding	$0	$3,356	$0	$8,513	$0	$11,869
Total	$146,573	$16,781	$17,771	$8,513	$27,431	$217,069

Notes:

(1) Cooperative members $625 for six sessions; Non-members $125 per session; $1,500 a day for up to 40 participants.

(2) G/T training represents 19 percent of cooperative services fees.

(3) Part of the Instructional Services Contract which is priced as follows:

$800 annual contract fee plus $0.85 per ADA (public schools) or $1.05 per ADA (non-public schools). Training fees are then $50 per contract participant or $100 per non-contract or out-of-region participant.

(4) Pricing is based on a percentage of the district/charter school G/T allotment as well as the type of service requested. Prices range from $500 annually for allotments below $5,000 to $7,500 annually for allotments greater than $180,000. Average cost per participant is $64.73 based on 2010-11 revenues divided by 2010-11 participants.

Four alternative providers were identified that provide Gifted and Talented training to districts and charter schools on a daily rate basis. Table 1.14 presents pricing information for the competitor services, which ranged from $1,000to $3,000 per day for training.

Table 1.14. Comparative Data for Gifted and Talented Teacher Training

Alternative Provider*	Cost
Provider A	$1,500 per day
Provider B	$3,000 per day
Provider C	$1,000 per day
Provider D	$1,200 per day
Average	$1,675 per day

**Provider names have been masked.*

Region I was the only ESC that reported a daily rate for non-members. For other service centers, pricing represented an allocation of a broader service fee plus an additional change based on student enrollment. The Region I daily rate of $1,500 was used as the basis for comparison to alternative providers. Table 1.15 presents the savings calculations from districts using ESC services for Gifted and Talented training.

Table 1.15. Savings Calculations for Mentor Teacher Training

	Amount
Average competitor rate per day	$1,675
Average ESC rate per day	$1,500
% Above (Below) ESC Cost	11.6%
ESC Mentor Teacher Training Revenues	$582,290
Savings from using ESCs	$67,545
WADA of districts served	1,355,347
Savings per WADA	$0.05

Chapter II – ESC Products

Texas ESCs provide a wide variety of products to client school districts and charter schools, including application software, instructional materials, technology products, and office related products and services. In our sample selection, the following five products were chosen for analysis:

A. Enterprise Resource Planning (ERP) systems
B. Interactive television (ITV)
C. Internet filtering
D. CSCOPE (curriculum management system)
E. Printing services

The profile of the ESCs selected for the product comparative analysis is presented in Table 2.1. Regions were selected for further analysis in the area of products with the intent of ensuring variability in the location within the state and size and socio-economic status of student population. Not all the ESCs selected for the product analysis provide the five sampled products. This is noted in the respective comparative analysis in this chapter.

Table 2.1. ESCs Selected for Products

Criteria	Region III	Region IV	Region XV	Region XIX	Region XX
Location	Victoria	Houston	San Angelo	El Paso	San Antonio
Student Enrollment	52,513	1,088,033	47,350	181,057	401,952
Percent Economically Disadvantaged	61.9%	56.4%	61.2%	76.4%	64.7%
Square miles (Density)	10,833	6,856	25,224	5,095	16,606

Comparisons for many of these products are difficult to analyze due to either their unique nature, difficulty in obtaining competitor pricing without obtaining price proposals, and pricing of bundled services that make it difficult to single-out selected products.

Cost analysis for each of the five types of products provided through the ESCs included an examination of six factors:

1. 2010-11 ESC product revenues
2. Unit price for product
3. Number of districts within the ESC using the product
4. Number of students (WADA) represented
5. Number of FTE staff at each ESC dedicated to product type

6. Cost of FTE staff (including local and state funding sources)

Once these data were examined, a cost comparison to alternative providers of the same products was conducted when available. Alternative providers were identified through market research. To identify the amount of savings achieved by school districts and charter schools as a result of using services provided by an ESC in lieu of alternative providers (by total amount and on a per students basis as measured by weighted average daily attendance), the per unit or per student cost of products was used.

As a result of the analysis conducted**, in most cases ESC prices were found to be lower than alternative providers identified**. With the exception of Internet filtering services, all other products in the sample were provided to school districts and charter schools at prices lower than competitors; however, the data available for ESCs and competing vendors for Internet filtering was very limited for this product line.

The ESCs' Enterprise Resource Planning (ERP) systems showed to be more cost effective than competitors' systems. But again, the analysis was difficult to conduct due to the variety of systems being compared.

Printing services are priced significantly less than local competition to ESCs, to the point that ESCs may consider increasing their prices to help cover their equipment costs. The ESC's Interactive TV and CSCOPE product lines are unique in Texas and do not have comparable alternatives.

Following is a detailed discussion of the ESC products including comparative data for alternative providers for these products.

A. Enterprise Resource Planning Systems

Enterprise Resource Planning (ERP) systems are integrated application software products for financial information, human resources information, and in some cases, student information management. Not all private sector ERP systems include an integrated student information system. ERP systems are the core administrative applications responsible for the transactions of school business.

ESCs offer client school districts and charter schools two major ERP systems to manage their business, human resources, and student information – TxEIS and iTCCS. Both of these systems were developed and are maintained by Region XX through an agreement with a separate governing consortium. Other ESCs including Region XX are resellers of these products and provide local product support.

- **The Texas Enterprise Information System** (TxEIS) is a state-sponsored, web-based, integrated information management system that includes both a business (finance and human resources) module and a student module. The system supports the operations and reporting requirements of Texas schools, including the Public Education Information Management System (PEIMS) reporting requirements. The fees charged for the TxEIS system include software upgrades, technical assistance, training, and user group meetings. The business system includes modules

for Accounts Receivable, Fixed Asset Management, Budgeting and Budget Amendments, Finance, Human Resources (including employee access and self-service), Payroll, Bank Reconciliation, Warehouse, Work Flow, and Purchasing. Student modules include Registration, Attendance, Discipline Management, Scheduling, Grade Reporting, Health Records, Special Education Management, Graduation Plan, Test Scores, Teacher Grade Book, Parent Portal, and Student Portal.

- The **Internet-based Texas Computer Cooperative Software** (iTCCS) system is a comprehensive and hosted solution that includes Business, Human Resources, Student Services, and PEIMS functionality. The fees for iTCCS include automatic system and software updates, hosting, technical assistance, training, data base administration services, user group meetings, and disaster recovery services. The Business modules include Accounts Receivable, Asset Management, Budgeting and electronic Budget Amendments, Cafeteria Management, Human Resources, Position Management, Employee Access and Self-Service, Finance, Payroll, Purchasing, Warehouse and Work Orders. Student modules include Registration, Attendance, Street Directory, Discipline Management, Scheduling, Grade Reporting, Health Records, Special Education Management, Four-year Graduation Plan, Personal Graduation Plan, Test Scores, Federal Lunch Application Program, Teacher Grade Book, Parent Portal, and Student Portal.

ERP Systems Results:

- In three of the five selected regions, ERP sales generated $5.6 million in ESC revenues from 149 districts and charter schools, representing approximately 351,000 students (WADA). The other two regions do not sell ESC ERP products.
- If all the school districts used TxEIS, the total savings to school districts served by the three ESCs would be $4.5 million; if all the districts used iTCCS, savings would amount to $226,000. This translates to per-WADA savings amounts of $12.88 and $0.64, respectively.
- TxEIS prices were 80 percent lower than competitor prices; iTCCS prices were 4 percent lower than competitor prices.
- ESCs dedicated between 3.5 and 21 FTEs to the ERP systems product line. For the three ESCs combined, a total 34 FTE employees supported the ERP product line at a cost of $2.35 million annually.

Table 2.2 presents the ESC data for the TxEIS and iTCCS services for the selected service centers.

Table 2.2. ESC Data for Enterprise Resource Planning Systems

Product: ERP	Region III	Region IV	Region XV	Region XIX	Region XX	Consolidated Amounts
2010-11 Revenues	$321,822	(2)	$1,002,477(3)	(6)	$4,322,738(7)	$5,647,037
Unit price	Student System: $2,410 per campus ($350 per alternative campus <25 students) Business System: Based on enrollment(1)	(2)	Data Services: Flat base fee plus tiered per student price(4) Hosting Services: Tiered flat price(5)	(6)	TxEIS annual fee based on enrollment plus a per student charge(8) iTCCS annual fee based on enrollment plus a per student charge(9)	**Not Applicable**
Number of districts using product	32	(2)	38	(6)	79(10)	149
Number of students (WADA) represented	38,304	(2)	45,786	(6)	266,730	350,820
FTE staff	3.49	(2)	9.9	(6)	11.15 TxEIS 9.65 iTCCS	34.19
FTE cost: **Local funding** **State funding** **Total**	 $316,080 $2,500 $318,580	(2)	 $581,916(11)	(6)	 $1,449,000(11)	 $2,349,496(11)

Notes:

(1) TxEIS Business software price based on student enrollment as follows:

PEIMS Enrollment	Cost
1,000 or less	$4,789
1,001 – 2,000	$5,049
2,001 – 5,000	$5,906
5,000 – 6,999	$6,489
7,000 plus	Based on customer specifications

(2) Region IV did not submit data for ERP products.

(3) Revenues are made up of $951,466 for data services and $51,011 for hosting services.

(4) Pricing structure for data services is structured as a flat base fee plus a tiered per student price based on PEIMS enrollment figures:

Tier	Enrollment	Tier Base of $12,200 + Per Student Cost Of:
I	0 – 200	$18.50
II	201 – 500	$16.25
III	501 – 1,000	$14.00
IV	1,001 – 1,500	$11.75
V	1,501 – 4,000	$9.50
VI	4,001 – 10,000	$8.50
VII	10,001 – 15,000	$7.50

(5) Hosting pricing is structured as a tiered flat price:

Student Enrollment	Price
0 – 600	$2,500
601 – 1,500	$3,000
1,501 – 4,000	$3,500

(6) Region XIX does not provide ERP services.

(7) Revenue of $1,074,917 derived from TxEIS Business and Student software and support and $3,247,820 in revenue derived from ITCCS Business and Student software, support, and hosting.

(8) TxEIS annual fee based on enrollment plus a per student charge:

Both Business and Student Systems

Enrollment	Base Fee	Per Student Fee
Up to 1,000	$9,750	$6.60
1,001 – 5,000	$10,250	$6.60
Over 5,000	$10,750	$6.60

Student System Only

Enrollment	Base Fee	Per Student Fee
Up to 1,000	$5,250	$5.70
1,001 – 5,000	$5,750	$5.70
Over 5,000	$6,250	$5.70

Business System Only

Enrollment	Base Fee	Per Student Fee
Up to 1,000	$5,750	$2.65
1,001 – 5,000	$5,750	$2.65
Over 5,000	$5,750	$2.65

(9) iTCCS annual fee based on enrollment plus a per student charge:

Both Business and Student Systems

Enrollment	Base Fee	Per Student Fee
Up to 4,999	$11,000	$20.00
5,000 – 9,999	$42,000	$19.10

Enrollment	Base Fee	Per Student Fee
10,000 – 39,999	$73,000	$18.60
40,000 – 59,999	$89,000	$14.95
Over 60,000	$105,000	$12.80

Either Business or Student Systems

Enrollment	Base Fee	Per Student Fee
Up to 4,999	$6,600	$12.00
5,000 – 9,999	$25,200	$11.46
10,000 – 39,999	$43,800	$18.16
40,000 – 59,999	$53,400	$8.97
Over 60,000	$63,000	$7.68

(10) Total of 72 school districts/charter schools using Region XX ERP products, which includes 62 districts/charter schools using the Texas Enterprise Information System (TxEIS) and 10 using the Internet-based Texas Computer Cooperative Software (iTCCS) system. Edgewood ISD uses both systems, but enrollment is only counted once for WADA calculation purposes.

(11) Amounts were not broken out by funding source.

Out of the five ESCs selected to provide product information for Enterprise Resource Planning (ERP) systems, Region XIX did not offer this product and Region IV did not submit cost data. Regions III, XV, and XX provided data for cost comparison purposes.

Region III and Region XV offer the TxEIS product to its participating districts, while Region XX offers both TxEIS and iTCCS to its clients. Each of these systems offers a student system and a business system. The ESCs' pricing structures for their systems are varied, but usually include charges based on enrollment plus a base fee (refer to Table 2.2).

Both Region III and Region XX have separate pricing structures for their student systems and their business systems, whereas Region XV separates its pricing into data services and hosting services fees. Region III prices for services only went as high as 7,000 students. For the purposes of cost comparison to alternative providers a 12,000-student district was assumed. Therefore, Region XX prices were used for the analysis.

Several ERP competitors were identified, including but not limited to Skyward, Pentamation, EDP, Tyler Technologies (Munis System), SunGard, Prologic, JR3, Pearson Power School and eSchool Plus, Infinite Campus, School Net, Lawson, and EDS. Pricing information was not available on each vendor. For the purposes of conducting a price comparison, actual price proposals were obtained from districts in the process of selecting new ERP systems. This pricing information was submitted to the districts as confidential, so each vendor's information has been masked by assigning a letter reference to avoid a breach of confidentiality.

Competitor price structures varied based on student enrollment and other factors. Competitor prices also varied based on whether or not the district hosted the system. In addition, alternative provider prices usually include discounted rates for the first years of a contract with built-in increases in later

years, unlike ESC pricing structures that are applied consistently on a year-to-year basis. For this reason, a five-year average cost for competitor products was used for this analysis. Table 2.3 compares the cost of applicable competitor software to the TxEIS and iTCCS software provided by the ESCs for a 12,000-student school district.

Table 2.3. ESC Pricing for 12,000-Student School District

	Alternative Provider Prices		
	Vendor A	**Vendor B**	**Vendor C**
Software Description	Finance Human Resources Payroll HOSTED SYSTEM	Finance Human Resources Payroll Employee Portal User Driven Reporting NOT HOSTED – PRICE DOES NOT INCUDE HARDWARD	Finance Human Resources Payroll NOT HOSTED SYSTEM – PRICE INCLUDES HARDWARE
Five-year Average Cost	$166,577	$211,869	$174,521
	Region XX Prices		
	Region XX TxEIS	**Region XX iTCCS**	
	Base fee $5,700 Per student cost $31,800 Total Annual Cost $37,550	Base fee $43,800 Per student cost $133,920 Total Annual Cost $177,720	

Tables 2.4 presents a per student cost comparison between ERP systems offered by service centers and competitor systems on a per student basis. For a 12,000-student district, the most cost-effective product is the TxEIS product at $3.13 per student. The highest-cost product of this group is the system supplied by Vendor B at a cost of $17.66 per student. The iTCCS system cost is $14.81 per student.

Table 2.4. Per Student Cost Comparison for 12,000-Student District

	Vendor A	Vendor B	Vendor C	Vendor Avg.	TxEIS	iTCCS
Total price	$166,577	$211,869	$174,521	$184,322	$37,550	$177,720
District size	12,000	12,000	12,000	12,000	12,000	12,000
Price per student	$13.88	$17.66	$14.54	$15.36	$3.13	$14.81
Amount below (above) vendor average					$12.23	$0.55
Percentage below (above) vendor average					80%	4%
ESC ERP Revenues					$5,647,037	
Savings from using ESCs					$4,517,630	$225,881
Total WADA in the three regions					350,820	350,820
Savings (additional cost) per WADA					$12.88	$0.64

B. Interactive TV

Interactive TV (ITV) service allows participating districts to stream live audio and video over an Internet connection. ITV is used for connecting schools, districts, regions, and institutions of higher learning for student distance learning and for staff training and meetings.

Table 2.5 presents ESC data submitted for the ITV product line.

Table 2.5. ESC Data for Interactive TV

Product: ITV	Region III	Region IV	Region XV	Region XIX	Region XX	Consolidated Amounts
2010-11 Revenues	$622,506(1)	$1,002,477	$97,500	(3)	$124,144	$1,846,627
Unit price	$5,867 for 1 MB bandwidth with increasing savings per additional bandwidth up to $59,627 for 25 MB(1)	$6,500 per port or $25 per stream up to 48 streams	Flat rate of $2,500(2)	(3)	Video conferencing based on minute of monthly usage(4) TETN only based on ADA(5)	**Not applicable**

Product: ITV	Region III	Region IV	Region XV	Region XIX	Region XX	Consolidated Amounts
Number of districts using product	38	31	39	(3)	39	147
Number of students (WADA) represented	77,081	796,331	19,918	(3)	116,978	1,010,308
FTE staff	3.49	2.5	1.02	(3)	1.75	8.76
FTE cost:						
Local funding	$140,836	$116,512	$51,218	(3)	$147,526	$456,092
State funding	$1,250	$10,711	$0		$0	$11,961
Total	$142,086	$127,223	$51,218		$147,526	$468,053

Notes:

(1) Region III ITV service is provided as part of the NET3 product which includes Internet filtering and Internet access as well as ITV.

(2) Actual cost is a flat rate $5,000 per district but is discounted by using Chapter 41 funding.

(3) Region XIX does not provide ITV service.

(4) Monthly fee for video conferencing:

Minutes of Usage	Monthly Fee
0 - 2,000	$200
2,001 - 3,000	$300
3,001 - 4,000	$400
4,001 – Unlimited	$500

(5) TETN only service:

ADA	Annual Fee
0 - 499	$2,500
500 - 999	$2,600
1,000 - 1,599	$2,700
1,600 - 2,999	$2,800
3,000 - 4,999	$2,900
5,000 - 9,999	$3,000
10,000 - 24,999	$3,100
25,000 - 49,999	$3,200
50,000 - and up	$3,300

While two alternative providers of ITV services were identified, cost comparisons could not be conducted because of a lack of comparable data. Information from several web sites was obtained that described audio/video streaming for both students and administrators; however, there were too many differences in the nature of the product offerings, thus prohibiting a meaningful comparison.

C. Internet Filtering

Internet filtering, also known as web filtering, allows an organization to block out pages from websites that are likely to include objectionable content. In addition, Internet filtering can screen incoming web pages to determine whether some or all of it should be displayed to the user. Internet filtering services consists of filtering appliances (hardware and software combined) as well a labor to monitor and maintain the process of filtering. There is a wide variety of variables involved as well, such as the option to provide a high level of filtering, opening up user access only as needed. Alternatively, users can be allowed a high degree of Internet access, with filtering taking place only as speed and content issues arise. In addition, filtering can take place in various ways such as through firewalls and through additional appliances.

Established protocols also affect the level of labor required to monitor and maintain filtering. If protocols are pre-programmed, the level of effort is reduced. Labor costs can vary depending upon the level of employee (within a technology department) responsible for filtering. Many times a network technician is assigned this duty, but other personnel such as field technicians and help desk personnel can also hold this responsibility.

Internet Filtering Results:

- In four of the five selected regions, Internet filtering generated $795,000 in ESC revenues from 87 districts and charter schools, representing approximately 141,000 students (WADA). Region XIX does not sell Internet filtering.
- The cost to school districts to use Internet filtering provided through ESCs over alternative providers would be an additional $32,338 and the per-WADA additional cost (of districts served) would be $0.23.
- Although the comparison was limited to one ESC's price and one alternative provider, ESC pricing was 12 percent higher than the alternative provider pricing.
- ESCs dedicated between 0.02 and 3.5 FTEs to the Internet filtering product line. For the four ESCs combined, a total 5.41 FTE employees supported the Internet Filtering product line at a cost of $329,000, virtually all of which is supported by local funds.

Table 2.6 presents the ESC data submitted for the Internet filtering product line.

Table 2.6. ESC Data for Internet Filtering

Product: Internet Filtering	Region III	Region IV	Region XV	Region XIX	Region XX	Consolidated Amounts
2010-11 Revenues	$622,506[1]	$38,173[2]	$84,099	[4]	$50,632[5]	$795,410
Unit price	[1]	$6.95 per CPU	$2.59 per ADA for M86 filtering $4.90 per computer for Lightspeed filtering	[4]	[6]	**Not Applicable**
Number of districts using product	38	3	34	[4]	12	87
Number of students (WADA) represented	77,081	4,523	40,433	[4]	18,567	140,604
FTE staff	3.49	1.4[3]	0.02	[4]	.5	5.41
FTE cost: **Local funding** **State funding** **Total**	 $140,836 $1,250 $142,086	 $141,132 $0 $141,132	 $2,702 $0 $2,702	[4]	 $43,461 $0 $43,461	 $328,131 $1,250 $329,381

Notes:

[1] ESC ITV service is provided as part of the NET3 product which includes Internet filtering and Internet access as well as ITV. Cost is $5,867 for 1 MB bandwidth with increasing savings per additional bandwidth up to $59,627 for 25 MB.

[2] Total revenue from ESC4.NET bundled service amounts to $210,107. However, only three districts/charter schools out of 13 receive Internet filtering as part of that bundle.

[3] FTE count and cost pertains to the entire ESC4.NET bundled service.

[4] ESC 19 does not provide Internet filtering service.

[5] Revenue for Internet filtering subscription by computer amounts to $42,842 and Internet filtering appliance maintenance revenues amount to $7,790.

[6] Price charged based on the following:

Annual Internet Filtering Subscription

Number of Computers	Member/Non-member Fee
25 - 499	$5.95 / $7.93
500 - 999	$5.75 / $7.66
1,000 - 1,599	$5.75 / $7.66
1,600 - 2,999	$5.50 / $7.33
3,000 - 4,999	$5.50 / $7.33
5,000 - 9,999	$5.30 / $7.06

Annual Internet Filtering Appliance Maintenance

Appliance	Member/Non-member Fee
R3000G	$285 / $380
R3000IR	$285 / $380
WFR	$330 / $440

Comparison of ESC Internet filtering prices to alternative providers was difficult due to these different variables in service offerings. However, comparable cost information for an alternative provider was obtained from a Texas district using a filtering appliance contract and monitoring the filtering process using in-house technicians.

This district has WADA of 22,611 and contracts with an outside vendor for a three-year term of service costing $27,667 annually. The level of effort to monitor the filtering activities amounts to an estimated 0.25 FTE having an annual salary and benefits of $60,500. The total annual cost of this service from the alternative provider, therefore, amounts to $42,792 or $1.89 on a per-WADA basis.

Region XV was used as a comparison to the alternative provider because its pricing structure is based on ADA and therefore serves as a reasonable method of comparison. Region XV's M86 service is priced at an estimated $2.12 per WADA ($2.59 per student divided by WADA to enrollment ratio), $0.23 or 12 percent more per student than the alternative provider.

D. CSCOPE

CSCOPE is a comprehensive online curriculum management system developed and owned by the Texas Education Service Center Curriculum Collaborative (TESCCC), a consortium composed of 19 of the 20 ESCs in the state. CSCOPE's content is aligned to the Texas Essential Knowledge and Skills in all academic core subject areas. The online system provides a curriculum framework for grades K-12 in all core academic subject areas, and is updated based on changes in state standards or any other relevant changes/interpretations of state standards that may apply. CSCOPE provides districts a common language, structure, and process for curriculum delivery. It is an aligned written, taught, and tested curriculum. The TEKS/TAKS (STAAR) expectations are assembled in a vertical alignment format (Vertical Alignment Documents). Instructional Focus Documents (IFDs) were created to provide a scope and sequence for teachers to use for their year of instruction. The Vertical Alignment Documents (VADs) and

IFDs highlight the cognitive rigor of each student expectation that will be assessed on STAAR and ensure teachers are informed of the depth and complexity to which they should be teaching.

CSCOPE, unlike other curriculum management systems, has Exemplar Lessons that are provided in each subject area for grades K-12. Lessons are provided in English and Spanish. CSCOPE not only provides the curriculum but the instructional direction for teachers to meet the highest standard of rigor and relevance as they cover the TEKS/TAKS/STAAR expectations. Required Career and Readiness Standards are imbedded into the curriculum as well. In addition to the curriculum and instructional exemplar lessons, CSCOPE provides an assessment bank for teachers to evaluate student learning. Assessments are aligned to the content and cognitive rigor of the TEKS. The components of CSCOPE are based on best practice models from top researchers.

CSCOPE is targeted for use primarily by teachers and administrators. It is not a system designed for direct student access. The online system is powered by "*Curriculum Developer*," a software tool developed by National Education Resources (NER) and customized for CSCOPE. ESCs collect revenues from district and charter school customers directly, and pay technology and consortium membership fees.

CSCOPE Results:

- In four of the five selected regions, CSCOPE sales generated $2 million in ESC revenues from 106 districts and charter schools, representing approximately 371,000 students (WADA). Region IV does not sell the CSCOPE product.
- Because of the uniqueness of the CSCOPE product in the Texas curriculum market, there are no comparable alternatives. However, the Comptroller of Public Accounts cited in its Financial Allocation Study for Texas that CSCOPE could save some districts millions of dollars.
- ESCs dedicated between 1 and 6 FTEs to the CSCOPE product line. For the four ESCs combined, a total of 13.57 FTE employees supported the CSCOPE product line at a cost of $861,000, virtually all of which is supported by local funds.

Table 2.7 presents ESC data on the CSCOPE product line.

Table 2.7. ESC Data for CSCOPE

Product: CSCOPE	Region III	Region IV	Region XV	Region XIX	Region XX	Consolidated Amounts
2010-11 Revenues	$293,827	(3)	$223,293	$586,057	$907,965	$2,011,142
Unit price	Year One Districts: One-time NER fee plus annual NER subscription plus $7 per ADA(1) Continuing Districts: Annual NER subscription plus $7 per ADA(2)	(3)	One-time set up fee based on # of campuses and ADA Plus annual fee of $7 per ADA Optional additional $1.50 ADA for training and technical assistance	One-time set up fee plus $7 per ADA	<3 campuses $500 one-time set up fee plus annual NER subscription of $2,500 plus site license of $500 plus $7 per ADA >=3 campuses $1,000 one-time set up fee plus $3,600 annual NER subscription fee plus $1,500 district license plus $250 per campus license plus $7 per ADA	**Not Applicable**
Number of districts using product	17	(3)	32	14	43	106
Number of students (WADA) represented	42,931	(3)	40,557	155,227	132,501	371,216
FTE staff	2.86	(3)	1.0	6.0	3.71	13.57
FTE cost: **Local funding** **State funding** **Total**	 $171,937 $7,000 $178,937	(3)	 $77,295 $0 $77,295	 $302,661 $0 $302,661	 $301,871 $0 $301,871	 $853,764 $7,000 $860,764

Notes:

(1) Price includes two days of training for administrators; 2 day training for teachers; One-half day follow-up session; consultation and technical assistance.

(2) Price includes 2 days of training, on-going consultation, and technical assistance.

(3) Region IV does not provide CSCOPE services.

There are no alternate providers in Texas that sell what CSCOPE provides. The curriculum system market is split into two major market components: (1) curriculum content and (2) automated tools that host curriculum products as well as other types of products, such as assessments and instructional materials. CSCOPE's online system provides unit tests, but does not currently support formal benchmark assessments or other applications that are supported by other automated tools in the marketplace.

In 2010, the Texas Comptroller of Public Accounts released the Financial Allocation Study for Texas (FAST). In this report, CSCOPE was listed as a best practice that saved school districts money. As part of the Comptroller's research, TESCCC estimated that districts developing their own curriculum would incur $4.35 million, and many of the larger school systems in Texas apply this approach.[3] With CSCOPE, FAST reported that (mostly smaller and mid-sized) districts share the development and maintenance cost at an average price of $5,800 per year per district.

Several larger districts were contacted to identify in-house costs to develop curriculum. None of the districts tracked curriculum development or maintenance cost. The district curriculum departments were involved in the effort, but many teachers received supplemental pay during the summer to write curriculum documents. In some cases, outside consultants were also used to support or guide the curriculum development effort.

E. Printing Services

School districts and charter schools use ESC and alternative provider printing services for various types of projects including document copies, calendars, newsletters, manuals, flyers, programs, and posters, among others. There are numerous competitors and alternative providers for printing services in most districts. Many ESCs report that they provide printing services to client districts/charter schools as a convenience. Others, however, operate large operations and provide printing services not only to school districts and charter schools but also to internal ESC departments as well.

[3] Comptroller of Public Accounts web site: http://fastexas.org/smartPractices/staff.php

Printing Results:

- In four of the five selected regions, printing sales generated $622,000 in ESC revenues from 29 districts and charter schools representing 50,588 students (WADA). Region XV does not sell printing services.
- The total savings to school districts using printing services provided through ESCs are $416,182 and the per-WADA savings (of two of the four ESCs that reported WADA) is an average of $0.74.
- ESC pricing was 32 percent to 78 percent lower than competitor pricing in the four ESCs providing printing services.
- ESCs dedicated between 0.15 and 2.05 FTEs to printing services. For the four ESCs combined, a total 3.41 FTE employees supported printing services at a cost of $149,000, virtually all of which is supported by local funds.

Table 2.8 presents ESC data for Printing Services.

Table 2.8. ESC Data for Printing Services

Product: Printing Services	Region III	Region IV	Region XV	Region XIX	Region XX	Consolidated Amounts
2010-11 Revenues	$14,390	$255,613	(1)	$298,538	$53,349	$621,890
Unit price	Varies based on type of service	Varies based on type of service	(1)	Varies based on type of service	Varies based on type of service	**Not applicable**
Number of districts using product	19	Unknown	(1)	(2)	10	29
Number of students (WADA) represented	26,192	Unknown	(1)	(2)	24,396	50,588
FTE staff	0.21	2.05	(1)	1.0	0.15	3.41
FTE cost:						
Local funding	$5,890	$95,086	(1)	$32,543	$15,486	$149,005
State funding	$106	$0		$0	$0	$106
Total	$5,996	$95,086		$32,543	$15,486	$149,111

Notes:

(1) Region XV does not provide printing services.

(2) Operation of the Region XIX printing services is on a cash basis and user districts are not tracked.

A variety of printing services and vendors were selected for comparison, and some districts provided competitor data that they had obtained independently. Competitor data were obtained and analyzed for each region due to the different competitors and price levels in each region.

Table 2.9 shows a cost comparison of printing services for Region III and its local competitors. In all cases the ESC provides a lower price than the average competitor price, and in many cases, the ESC price is significantly lower.

Table 2.9. Region III Price Comparison for Printing Services

Job Description	Vendor A	Vendor B	Vendor C	Vendor Average	Region III Price % savings
2-Part NCR (white/yellow), black ink, 4”x6”, padded at top 4,500 quantity	$320	$198	$497	$338	$195 / 42%
3-Part NCR (white/yellow/pink), black ink, 8.5”x11”, padded at top					
500 quantity	$132	$124	$120	$125	$100 / 20%
2,000 quantity	$347	$315	$408	$357	$312 /13%
3-Part NCR (white/yellow/pink), black ink, 4.25”x5.5”, padded at top 2,000 quantity	$165	$149	$250	$188	$97 / 48%
4-Part NCR (white/yellow/pink/ goldenrod), black ink, 8.5”x11”, padded at top 1,500 quantity	$351	$354	$560	$422	$312 / 26%
4-Part NCR (white/yellow/pink/ goldenrod), black ink, 8.5”x5.5”, padded at top 1,000 quantity	$255	$252	$398	$301	$114 / 62%
5-Part NCR (white/yellow/pink/ goldenrod/green), black ink, 8.5”x11”, padded at top, crash numbered 1,000 quantity	$335	$324	$425	$361	$310 / 14%
				Average savings %	**32%**

Table 2.10 provides a price comparison of a selection of printing products for Region IV. For all items sampled, the ESC provides lower prices than local competitors.

Table 2.10. Region IV Price Comparison for Printing Services

Job Description	Vendor D	Vendor E[1]	Vendor Avg.	Region IV Price % Savings
DocuColor B/W	$0.11	$0.09	$0.10	$0.046 54%
DocuColor Color	$0.49	$0.79	$0.64	$0.20 69%
Bond 8.5” X 11”	$0.11	$0.09	$0.10	$0.008 92%
Bond 8.5” X 14”	$0.19	Do not carry	$0.19	$0.012 37%
Bond 8.5” X 17”	$0.20	Do not carry	$0.20	$0.02 90%
Color transparency	Do not carry	$1.00	$1.00	$0.34 66%
B/W transparency	$0.70	$2.95	$1.82	$0.20 89%
Carbonless, 2-part	Do not carry	$0.40	$0.40	$0.044 89%
Carbonless, 3-part	Do not carry	$0.60	$0.60	$0.088 85%
Card stock 8.5” X 11”	$0.17	$1.19	$0.68	$0.031 95%
Card stock 11” X 17”	Do not carry	$2.39	$2.39	$0.062 97%
			Average savings %	**78%**

Notes:

[1] Teacher discount available of 15 percent off.

Table 2.11 compares a selection of Region XIX copy services to local competitors. In all cases the ESC provides a lower cost than the competitor.

Table 2.11. Region XIX Price Comparison for Printing Services

Job Description	Vendor F	Vendor G	Vendor Avg.	Region XIX Price % Savings
B/W copy, 1 sided	$0.10	$0.10	$0.10	$0.035 65%
B/W copy, 2 sided	$0.20	$0.15	$0.175	$0.035 80%
Color copy, 1 sided	$0.53	$0.49	$.51	$0.16 68%
Color copy, 2 sided	$1.06	$0.74	$0.90	$0.24 73%
B/W transparency	$0.75	Do not carry	$0.75	$0.40 47%
Color transparency	$1.99	Do not carry	$1.99	$1.40 30%
			Average savings %	**60%**

Table 2.12 compares a selection of Region XX copy services to local competitors. In all cases the ESC provides a lower cost than the competitor.

Table 2.12. Region XX Price Comparison for Printing Services

Job Description	Vendor H	Vendor I	Vendor Avg.	Region XX Price % Savings
B/W copy, 1 sided	$0.08	$0.12	$0.10	$0.025 75%
Color copy, 1 sided	$0.35	$0.53	$0.44	$0.19 57%
GBC binding	$1.25	$2.99	$2.12	$1.00 53%
			Average savings %	**62%**

Table 2.13 shows the calculation of savings to districts for each ESC providing printing services. The average savings percentage for each ESC was applied against revenues generated by each ESC to estimate savings to school districts. Region IV and Region XIX do not track printing revenues by individual district. WADA for the other two ESCs (Region III and Region XX) was used to calculate a weighted average.

Table 2.13. Cost Savings to Districts from Using ESC Printing Services

Product: Printing Services	Region III	Region IV	Region XIX	Region XX	Consolidated Amounts
2010-11 Revenues	$14,390	$255,613	$298,538	$53,349	$621,890
Average % lower than competitor price	32%	78%	60%	62%	-
Savings (Revenues x Avg. Savings %)	$4,605	$199,378	$179,123	$33,076	$416,182
WADA	26,192	Not Available	Not Available	24,396	-
Savings per WADA	$0.18	Not Applicable	Not Applicable	$1.36	-
				Weighted Avg.	$0.74

Chapter III – Direct Services

Direct services represent annual commitments by ESCS to provide a service, usually for a specified duration or through a commitment of resources. The five direct services selected for the cost comparison include:

A. Legal services
B. Hardware service and repair/troubleshooting
C. Nursing services
D. Business manager services
E. Superintendent searches

Regions were selected for further analysis in the area of direct services with the intent of ensuring variability in the location within the state and size and socio-economic status of student population. The profile of the ESCs selected for the direct services comparative analysis is presented in Table 3.1.

Table 3.1. ESCs Selected for Direct Services

Criteria	Region V	Region VII	Region XII	Region XIV	Region XVI
Location	Beaumont	Kilgore	Waco	Abilene	Amarillo
Student Enrollment	80,015	168,927	156,002	52,047	84,056
Percent Economically Disadvantaged	58.2%	60.6%	57.7%	57.7%	59.2%
Square miles (Density)	5,152	13,305	11,214	12,155	25,805

Cost analysis for each of the five direct services provided through the ESCs included an examination of six factors:

1. 2010-11 ESC direct services revenues
2. Unit price for direct services
3. Number of districts within the ESC using the direct service
4. Number of students (WADA) represented
5. Number of FTE staff at each ESC dedicated to direct service type
6. Cost of FTE staff (including local and state funding sources)

Once these data were examined, cost comparisons to alternative providers of the same services were conducted. The direct services analyzed consisted of services offered to schools and charter schools in lieu of hiring a fill-time or part-time employee to perform a service or function. Costs for alternative

providers were primarily identified through rates charged in the private market or from school district salary data.

Research on alternative providers found a wide variety of data available. To identify the amount of savings achieved by school districts and charter schools as a result of using services provided by an ESC (by total amount and on a per students basis as measured by weighted average daily attendance), a savings rate was determined that was then used to calculate a total savings.

The Direct Services analysis found that all five of the direct service offerings provide cost savings to districts and charter schools – in some cases rather significant savings.

Following is a detailed discussion of the ESC products including comparative data for alternative providers for these products.

A. Legal Services

ESCs provide legal services options to their member districts through cooperative agreements. Typically an annual flat fee is charged for the cooperative, and then legal services are provided at discounted rates to the co-op member districts. The ESCs contract with attorneys specializing in school district legal issues, and usually the member districts pay fees directly to the contracted attorney(s) based on the per-hour discounted rates.

In our sample of ESCs, two of the five regions selected (Regions VII and XVI) provide legal services to member districts.

Legal Services Results:

- In the five selected regions, legal services generated $25,950 in ESC revenues from 79 districts and charter schools, representing approximately 201,000 students (WADA).
- The total savings to school districts in the two sampled ESCs was $6,228 and the per-WADA savings (of districts served) was $0.03.
- Competitor prices were, on average, 24 percent higher than ESC prices.
- ESCs dedicated a total of 0.02 FTEs to legal services cooperatives supported by state and local funding totaling $2,191.

Table 3.2 summarizes the comparative data for legal services for the ESCs included in the legal services sample.

Table 3.2. ESC Data for Legal Services

Product: Legal Services	Region V	Region VII	Region XII	Region XIV	Region XVI	Consolidated Amounts
2010-11 Revenues	(1)	$21,750	(3)	(4)	$4,200	$25,950
Unit price	(1)	Annual flat fee of $250 for legal services **or** SPED legal services Annual flat fee of $500 for **both** legal services and SPED legal services co-ops (2)	(3)	(4)	Annual flat fee of $100 plus $225 per hour paid directly to provider Fee includes free telephone consultations that don't require research and 6 hours of annual training	**Not Applicable**
Number of districts using product	(1)	37	(3)	(4)	42	79
Number of students (WADA) represented	(1)	152,876	(3)	(4)	47,741	200,617
FTE staff	(1)	0.02	(3)	(4)	0.0	0.02
FTE cost: **Local funding** **State funding** **Total**	(1)	$986 $1,205 $2,191	(3)	(4)	$0 $0 $0	$986 $1,205 $2,191

Notes:

(12) Region V does not provide legal services.

(13) Member districts then pay hourly rates directly to service provider of $175 for associate and $215 for partner. First two hours of service are no charge.

(14) Region XII does not provide legal services.

(15) Region XIV does not provide legal services.

Several comparison sources for legal fees were identified in Regions VII and XVI as well as a source outside of these regions as shown in Table 3.3. The calculation of average ESC hourly legal fee rates considers only the hourly rates charged and does not include the annual co-op fees. In addition, the calculation excludes the benefits of telephone consultation and training provided by the Region XVI co-op for no additional cost to members. The comparison of ESC hourly rates to competitor hourly rates is based on average rates for each.

Table 3.3. Comparative Data for Legal Services

Alternative Provider	Cost per Hour
Region VII source	$225
Region XVI source Partner Staff attorney	 $350 $195
Other source	$250
Average Competitor Cost	$255
Average ESC Cost	$205
% Above (Below) ESC Cost	24%

To estimate savings using ESC legal services, the percentage of competitor pricing above ESC pricing was multiplied by combined ESC revenue. This savings was then divided by the number of WADA served in districts receiving the services from the two ESCs in our sample that provide co-op services. Table 3.4 presents the summary of total and per-WADA savings.

Table 3.4. Savings Calculations for Legal Services

	Amount
ESC Legal Services Revenues	$25,950
Savings from using ESCs (ESC revenues x 24%)	$6,228
WADA of districts served	200,617
Savings per WADA	$0.03

B. Hardware Service and Repair/Troubleshooting

ESCs offer support to districts and charter schools in a variety of ways to meet computer maintenance needs. ESCs provide hardware service and repair/troubleshooting services to districts as both an onsite service and remotely (through phone or Internet). Many districts and charter schools enter into annual contracts with ESCs to obtain a specified number of troubleshooting hours or days and receive discounted prices.

Hardware Service and Repair/Troubleshooting Results:

- In the five selected regions, troubleshooting services generated $1 million in ESC revenues from 119 districts and charter schools, representing approximately 132,000students (WADA).
- The total savings to school districts was $1.58 million and the per-WADA savings (of districts served) was $20.63.
- Competitor unit prices were, on average, 190 percent higher than ESC services.
- ESCs dedicated between 0.94 and 6.5 FTEs to troubleshooting services. For the five ESCs combined, a total 13.57 FTE employees provided troubleshooting services at a cost of $760,000, all through local funding.

Table 3.5 summarizes the comparative data for hardware services and repair/troubleshooting for each of the selected ESCs.

Table 3.5. ESC Data for Hardware Services and Repair/Troubleshooting

Product: Hardware Services and Repair/ Troubleshooting	Region V	Region VII	Region XII	Region XIV	Region XVI	Consolidated Amounts
2010-11 Revenues	$273,372	$220,680	$279,936	$72,000	$204,900	$1,050,888
Unit price	$45/hr remote $65/hr onsite $360/day onsite[1]	Included in bundled price for ESC7NET[2]	Daily rates of $350 - $415 based on level of employee On-call rate of $95/hr or $575/day	Daily rates of $350 to $425	$600 per day min 5 days >20 days $500 per day	**Not Applicable**
Number of districts using product	12	37	10	18	42	119
Number of students (WADA) represented	14,018	55,415	9,532	11,019	41,878	131,862
FTE staff	6.5	0.94	2.93	1.0	2.20	13.57

Product: Hardware Services and Repair/ Troubleshooting	Region V	Region VII	Region XII	Region XIV	Region XVI	Consolidated Amounts
FTE cost: Local funding	$319,206	$60,050	$172,471	$49,357	$158,897	$759,981

Notes:

(1) Districts are provided discounts on these rates when the sign up for yearly or multi-year contracts for both onsite and remote assistance. The discount percentage increases as the number of days/hours contracted for increases.

(2) Bundled services include e-mail, e-mail archive, Internet access, network troubleshooting, on-site technical support, spam filtering, virtual private server, VoIP telephony site survey, web hosting, and initial website design.

Two alternative providers were identified for hardware services and repair/troubleshooting. Onsite services are charged at $195 per hour by each of the competitors, while one competitor provides an online assistance rate of $110 per hour (see Table 3.6).

Table 3.6. Comparative Data for Hardware Services and Repair/Troubleshooting

Alternative Provider*	Hourly Rate
Provider A	$195
Provider B Onsite Remote	 $195 $110

**Provider names have been masked.*

Most client school districts opt to sign annual contracts with ESC providers because of the discounts offered. Therefore the daily rates were converted to hourly rates and an average was taken to determine an onsite, hourly troubleshooting rate for the ESCs of $57.50.

Table 3.7 provides a comparison of the competitor average rate to the average ESC rate and calculates savings to school districts on a total and per-WADA basis. Of the five ESCs included in the sample, Region VII provides troubleshooting services as part of a bundled service.

Table 3.7. Savings Calculations for Hardware Services and Repair/Troubleshooting

	Amount
ESC average rate per hour	$57.50
Competitor average rate per hour	$167
% Above (Below) ESC Cost	190%
ESC Troubleshooting Revenues[1]	$830,208
Savings from using ESCs	$1,577,395
WADA of districts served[2]	76,447
Savings per WADA	$20.63

Notes:

[1] Revenue from Region VII is excluded because it represents a bundled service.

[2] WADA excludes that of Region VII because it is not used in the calculation of total savings.

C. Nursing Services

ESCs offer support to school districts and charter schools for nursing services. Districts are able to access the nursing services for a specific number of days to meet their needs as an alternative to hiring a full-time or part-time nurse.

Nursing Services Results:

- In the five selected regions, nursing services generated ESC revenues of $46,495 from 43 districts and charter schools, representing approximately 118,000 students (WADA).
- The total savings to school districts was $15,500 and the per-WADA savings was $0.13.
- The ESC price for nursing services was 30 percent less than the state average salary for nurses.
- ESCs dedicated between 0.5 and 0.8 FTEs to nursing services, for a combined total of 1.3 FTE employees providing nursing services at a cost of $65,000 using local funding.

Table 3.8 shows the comparative data for the ESCs in the sample that provide nursing services to districts/charter schools. Three of the ESCs (Regions VII, XII, and XIV) did not provide nursing services to member districts/charter schools; therefore only Regions V and XVI were used in this comparison.

Table 3.8. ESC Data for Nursing Services

Product: Nursing Services	Region V	Region VII	Region XII	Region XIV	Region XVI	Consolidated Amounts
2010-11 Revenues	$3,645	(1)	(2)	(3)	$42,850	$46,495
Unit price	Not available	(1)	(2)	(3)	$275 per day plus travel expenses	**Not Applicable**
Number of districts using product	38	(1)	(2)	(3)	5	43
Number of students (WADA) represented	116,142	(1)	(2)	(3)	1,926	118,068
FTE staff	0.8	(1)	(2)	(3)	0.5	1.3
FTE cost: Local funding	$48,266	(1)	(2)	(3)	$16,605	$64,871

Notes:

(1) Region VII does not provide nursing services.

(2) Region XII does not provide nursing services.

(3) Region XIV does not provide nursing services.

For cost comparison purposes, the average salary of $56,000 was used for school nurses in the state based on information obtained on salary.com. A benefits rate of 20 percent was used to develop a total salary and benefits cost of $67,200. To calculate an annual rate for the ESC nursing services, the daily rate was multiplied it by 188 school days to arrive at an annual rate of $51,700 (see Table 3.9).

Table 3.9. Savings Calculations for Nursing Services

	Amount
ESC average annual rate	$51,700
State average annual salary	$67,200
% Above (Below) ESC Cost	30%
Savings from using ESCs	$15,500
WADA of districts served	118,068
Savings per WADA	$0.13

D. Business Manager Services

School districts and charter schools contract with ESCs for business manager services, providing functions such financial management, budgeting, management of federal funds, reconcilement of bank accounts, and compliance support. Many districts or charter schools are small and cannot justify the cost of hiring a full-time business manager position. Alternatively, districts may find themselves with a temporary vacancy in their business manager position and contract with an ESC to fill this void until a permanent position can be hired and trained.

Of the five ESCs sampled, one (Region VII) did not offer this service to districts.

Business Manager Services Results:

- In the five selected regions, business manager training services generated $500,000 in ESC revenues from 34 districts and charter schools, representing approximately 19,170 students (WADA).
- The total savings to school districts was $540,355 and the per-WADA savings (of districts served) was $28.19.
- Competitor unit prices were, on average, 107 percent higher than ESC services.
- ESCs dedicated between 1.0 and 3.55 FTEs to business manager services. For the four ESCs combined, a total 8.31 FTE employees provided business manager services at a cost of $496,000 in local funding.

Table 3.10 summarizes the comparative data for business manager services for each of the selected ESCs.

Table 3.10. ESC Data for Business Manager Services

Product: Business Manager Services	Region V	Region VII	Region XII	Region XIV	Region XVI	Consolidated Amounts
2010-11 Revenues	$25,455	(1)	$119,000	$110,300	$250,250	$505,005
Unit price	Flat fee ranging from $400 to $5,100 based on district needs	(1)	Flat fee ranging from $8,000 to $50,000 based on district needs	Flat fee ranging from $18,000 to $35,000	<=150 ADA - $17,500 151-300 ADA $25,300 >300 ADA negotiate	**Not Applicable**

Product: Business Manager Services	Region V	Region VII	Region XII	Region XIV	Region XVI	Consolidated Amounts
Number of districts using product	6	(1)	6	5	17	34
Number of students (WADA) represented	4,187	(1)	6,532	4,353	4,098	19,170
FTE staff	1.0	(1)	1.0	2.76	3.55	8.31
FTE cost: Local funding	$45,378	(1)	$67,503	$166,077	$217,301	$496,259

Notes:

(1) Region VII does not provide business manager services.

Three of the four ESCs offering business services (Regions V, XII, and XIV) charge a flat rate that varies depending on the district/charter school size and the specific level and scope of service desired. Region V's flat rate can range between $400 and $5,100, while Region XII's rate has a range of $8,000 to $50,000. Region XIV charges its districts between $18,000 and $35,000 for these services. Region XVI charges for the services it offers based on district enrollment, with a $17,500-level of service and a $25,300-level of service. For district/charter schools with enrollments greater than 300, Region XVI negotiates a rate with its clients.

Because the ESCs base their contracts for business services on scope of work rather than on an hourly basis, conducting a cost comparison was difficult. However, Region XIV provided salary data for the vacated business manager positions in their client districts. This information was used as a source of comparison data.

Table 3.11 provides comparative data for business manager services for Region XIV.

Table 3.11. Savings Calculations for Business Manager Services

	Amount
Average district cost	$45,600
Average Region XIV cost	$22,060
% Above (Below) ESC Cost	107%
ESC Business Services Revenue	$505,005
Savings from using ESCs	$540,355
WADA of districts served	19,170
Savings per WADA	$28.19

E. Superintendent Search Services

ESCs work with school boards to assist with the superintendent search process. Searches can include consultation with boards to develop job descriptions, advertising superintendent vacancies, working with boards and community members in the district to assess needs and identify the qualities desired in a superintendent, and helping to evaluate candidates.

Superintendent Search Services Results:

- In the five ESCs in the sample, two conducted superintendent searches for total combined revenue of $22,000.
- The total cost savings to school districts was $4,400 and the per-WADA cost was $0.40.
- Competitor prices were, on average, 20 percent higher than ESC prices.
- ESCs dedicated between 0.054 and 2.0 FTEs to superintendent searches. For the two ESCs combined, a total 2.054 FTE employees provided searches at a cost of $183,000.

Table 3.12 summarizes the comparative data for superintendent searches for each of the selected ESCs. Of the five ESCs in the sample, only two offer superintendent search services to school districts/charter schools: Region V and Region XIV. Region V conducted searches for Hamshire-Fannett, Kountze, and Bridge City ISDs in 2010-11, and charged each district a flat rate of $5,000. Region XIV conducted two searches during this same time period for Snyder ISD and Grady ISD at a cost of $3,000 and $4,000, respectively.

Table 3.12. Data for Superintendent Search Services

Product: Superintendent Search Services	Region V	Region VII	Region XII	Region XIV	Region XVI	Consolidated Amounts
2010-11 Revenues	$15,000	(1)	(2)	$7,000	(3)	$22,000
Unit price	Flat fee of $5,000 search	(1)	(2)	Flat fee of $3,000 to $4,000 per search	(3)	**Not Applicable**
Number of districts using product	3	(1)	(2)	2	(3)	5

Product: Superintendent Search Services	Region V	Region VII	Region XII	Region XIV	Region XVI	Consolidated Amounts
Number of students (WADA) represented	7,239	(1)	(2)	3,871	(3)	11,110
FTE staff	2.0	(1)	(2)	.054	(3)	2.054
FTE cost:						
Local funding	$173,505	(1)	(2)	$9,825	(3)	$183,330
State funding	$0			$0		$0
Total	$173,505			$9,825		$183,330

Notes:

(1) ESC 7 does not provide superintendent search services.

(2) ESC 12 does not provide superintendent search services.

(3) Does not provide turnkey search services, but provides free of charge assistance such as options of search firms, hiring an interim, develop profile, assist with preparation for superintendent interviews, conduct background checks on prospective candidates.

For comparative data, five Texas school districts were identified that hired outside search firms for superintendent searches during calendar year 2011. A comparison of the costs charged by outside firms to ESC costs show that on a per student basis, the ESCs provide a lower cost than the alternate providers. The comparison of outside search firm prices to ESC prices is presented in Table 3.13. A weighted average was calculated so that cost-per student prices of low-enrollment districts would not distort the average.

Table 3.13. Comparative Data for Superintendent Searches

Search Firm* or ESC	District	Enrollment	Total Cost of Search	Cost of Search per Student
Provider A	Fort Davis ISD	311	$5,800	$18.55
Provider B	Spearman ISD	832	$6,200	$7.45
Provider C	Palestine ISD	3,241	$6,800	$2.09
Provider D	Lockhart ISD	4,684	$8,500	$1.82
Provider E	Texas City ISD	5,800	$18,000	$3.10
Weighted Average (based on enrollment) for Alternate Providers				**$3.04**
Region V	Hamshire-Fannett ISD	1,734	$5,000	$2.89
Region V	Kountze ISD	1,371	$5,000	$3.65
Region V	Bridge City ISD	2,601	$5,000	$1.92

Search Firm* or ESC	District	Enrollment	Total Cost of Search	Cost of Search per Student
Region XIV	Snyder ISD	2,783	$3,000	$1.08
Region XIV	Grady ISD	226	$4,000	$17.70
Weighted Average (based on enrollment) for ESCs				**$2.53**

**Provider names have been masked.*

The weighted average per-student rate for conducting superintendent searches by alternative providers is $3.04 or 20 percent higher than the $2.53 weighted average of ESCs. The total savings of using ESC services is $4,400 which equates to a per-WADA cost of $0.4 (see Table 3.14).

Table 3.14. Cost Savings Calculations for Superintendent Searches

	Amount
Weighted average competitor fee per student	$3.04
Weighted average ESC fee per student	$2.53
% Above (Below) ESC Cost	20%
ESC Superintendent Search Services	$22,000
Cost savings from using ESCs	$4,400
WADA of districts served	11,110
Additional Cost per WADA	$.40

Chapter IV – Technical Assistance

Texas ESCs offer a variety of technical assistance options to school districts and charter schools. There are no statewide definitions of the categories of technical assistance and as a result, the types of assistance offered by each ESC varies based on the needs of client districts. Many of the technical assistance services offered by ESCs are similar to direct services, except that they are purchased on an as-needed basis as opposed to an annual commitment.

The five types of technical assistance selected for this cost analyses are:

A. Curriculum Development and Management
B. Classroom Teacher Support
C. Special Education Support
D. Low Performing Districts Support
E. Network and Infrastructure Services

Five ESCs were selected for further analysis in the area of technical assistance with the intent of ensuring variability in the location within the state and size and socio-economic status of student population. The profile of the ESCs selected for the technical assistance comparative analysis is presented in Table 4.1.

Table 4.1. ESCs Selected for Technical Assistance

Criteria	Region II	Region VIII	Region X	Region XIII	Region XVIII
Location	Corpus Christi	Mt. Pleasant	Richardson	Austin	Midland
Student Enrollment	104,450	56,619	747,280	375,915	77,505
Percent Economically Disadvantaged	66.0%	62.3%	56.4%	48.4%	57.9%
Square miles (Density)	11,414	6,419	6,548	13,059	37,145

Cost analysis for each of the five technical assistance provided through the ESCs included an examination of six factors:

1. 2010-11 ESC technical assistance revenues
2. Unit price for technical assistance
3. Number of districts within the ESC using the technical assistance
4. Number of students (WADA) represented
5. Number of FTE staff at each ESC dedicated to technical assistance type

6. Cost of FTE staff (including local, state, and federal funding sources)

Once these data were examined, cost comparisons to alternative providers of the same services were conducted. **For the services examined, the analysis showed that the ESCs provide cost savings to the districts they serve, and in some cases these savings are substantial.** Due to the lack of comparable pricing information, a cost analysis for two of the technical assistance services – network infrastructure services and classroom teacher support – could not be conducted.

Following is a detailed discussion of the ESC technical assistance services including comparative data for alternative providers for these products.

A. Curriculum Development and Management

ESCs provide support to districts and charter schools by offering oversight and management of curriculum development programs and include organizing, developing, assessing, and implementing curriculum. Some of the specific assistance includes curriculum development assistance, instructional coaching, and grant support.

ESCs charge for assistance to districts through bundled service packages, hourly rates, or contract fees based on ADA. Some ESCs offer this service at no charge to districts because the efforts are funded through state or federal grants.

Curriculum Development and Management Results:

- Two ESCs report revenues totaling $93,243. The five ESCs serve 280 districts representing 1.6 million students (WADA).
- The total savings to school districts was $359,000 and the per-WADA savings was $1.72. These figures do not account for the technical assistance provided to districts at no cost.
- Competitor prices were, on average, 385 percent higher than ESC unit prices.
- ESCs dedicated between 0.31 and 11.15 FTEs to curriculum development and management assistance. For the five ESCs combined, a total 22.23 FTE employees provided these services at a cost of $1.02 million through local, state, and federal funding.

Table 4.2 summarizes the comparative data for curriculum development and management assistance for each of the selected ESCs.

Table 4.2. ESC Data for Curriculum Development and Management

Technical Assistance: Curriculum Development and Management	Region II	Region VIII	Region X	Region XIII	Region XVIII	Consolidated Amounts
2010-11 Revenues	$37,393	(1)	$0(2)	$0(2)	$55,850	$93,243
Unit price	Various rates averaging $87/hr	(1)	$0(2)	$0(2)	$1 per ADA	**Not Applicable**
Number of districts using product	41	47	117	47	28	280
Number of students (WADA) represented	123,388	79,295	935,423	367,287	85,507	1,590,900
FTE staff	0.31	5.3	1.8	11.15	3.67	22.23
FTE cost:						
Local funding	14,251	$45,355	$0	$251,322	$254,211	$565,139
State funding	4,853	$0	$145,759	$213,085	$0	$363,697
Federal funding	7,520	$0	$0	$87,199	$0	$94,719
Total	26,624	$45,355	145,759	$551,606	$254,211	$1,023,555

Notes:

(1) Technical assistance provided as part of a bundled service and revenues are not tracked separately.

(2) Technical assistance in curriculum development and management is provided through state and federal funds at no cost to districts.

Two alternative providers of this service for which pricing was available were identified through market research (see Table 4.3).

Table 4.3. Comparative Pricing for Curriculum Development and Management Assistance

Alternative Provider	Daily Rate
Provider A	$5,000 per team
Provider B	$1,750

**Provider names have been masked.*

Because of the way that the ESCs either bundle this assistance with other services or do not charge at all for the service, Region II's average hourly rate of $87 was used for comparative purposes. The comparison does not account for the services that are provided free of charge to districts.

Table 4.4 shows a cost comparison and savings from using ESCs using a calculated hourly rate for the alternative providers. The comparison, based on Region II's and Region XVIII's revenue and WADA, show that the ESCs provide curriculum development and management assistance at a significantly lower cost to districts than the identified alternative providers. Total savings is $460,620 and $1.72 on a per-WADA basis.

Table 4.4. Savings Calculations for Curriculum Development and Management Assistance

	Amount
ESC average rate per hour	$87
Competitor average rate per hour	$422
% Above (Below) ESC Cost	385%
ESC Curriculum and Development Management Revenues	$93,243
Savings from using ESCs	$358,986
WADA of districts served[1]	208,895
Savings per WADA	$1.72

Notes:

[1] Only WADA from ESCs reporting revenue was used for this calculation.

B. Classroom Teacher Support

Support to classroom teachers is offered through a variety of services including instructional coaching for behavior management, English as a Second Language, Early Childhood, and educator certification program coaching. Support also includes assistance with accountability monitoring, educator preparedness, and using technology in the classroom.

Classroom Teacher Support Results:

- In the five selected regions, classroom teacher support generated ESC revenues of $1.05 million from 271 districts and charter schools, representing approximately 1.6 million students (WADA).
- The lack of comparable pricing for alternative providers precluded a cost comparison for classroom teacher support.
- ESCs dedicated between 1.55 and 9.3 FTEs to classroom teacher support, for a combined total of 19.9 FTE employees providing classroom teacher support services at a cost of $952,000 through local, state, and federal sources.

Table 4.5 shows the comparative data for the ESCs in the sample that provide classroom teacher support to districts/charter schools. The pricing structures employed by each ESC in the sample varied, making it difficult to develop a cost for the ESCs in the sample. For instance, Regions II and XIII provide a variety of services with a variety of costing structures, with some of the services offered at no cost to districts.

Region VIII offers this assistance through bundled services so revenues and pricing structures specific to the technical assistance provided to classroom teacher could not be isolated. Regions X and XVIII use grant funds to support this function and do not charge districts for services.

Table 4.5. ESC Data for Classroom Teacher Support

Technical Assistance: Classroom Teacher Support	Region II	Region VIII	Region X	Region XIII	Region XVIII	Consolidated Amounts
2010-11 Revenues	$18,494	(1)	$0(2)	$763,629	$269,156	$1,051,279
Unit price	Various rates averaging $62/hr	(1)	$0(2)	Various depending on service(3)	20% of Title II D Allotment	**Not Applicable**
Number of districts using product	40	47	117	43	24	271
Number of students (WADA) represented	126,398	79,295	935,423	392,189	33,068	1,566,373
FTE staff	1.87	5.3	1.55	9.3	1.85	19.9

Technical Assistance: Classroom Teacher Support	Region II	Region VIII	Region X	Region XIII	Region XVIII	Consolidated Amounts
FTE cost:						
Local funding	$39,620	$45,355	$0	$383,190	$0	$468,165
State funding	$68,357	$0	$65,293	$137,225	$0	$270,875
Federal funding	$9,650	$0	$48,047	$20,768	$134,249	$212,714
Total	$117,627	$45,355	$113,340	$541,183	$134,249	$951,754

Notes:

(1) Technical assistance provided as part of a bundled service and revenues are not tracked separately.

(2) Technical assistance in classroom teacher support is provided through state and federal funds at no cost to districts.

(3) Instructional coaching $500 per day for up to 5 teachers per day; average $62.50 per hour.
Behavior coaching $3,000 per 10 days per campus; average $37.50 per hour.
ESL coaching $500 per day; average $62.50 per hour.

The alternative providers of classroom teacher support include resources available through the Texas Science, Technology, Engineering, and Mathematics (T-STEM) Network as well as Texas colleges and universities. The services offered through colleges and universities are typically included as part of program fees, and specific fees for technical assistance were not available.

The market research surfaced a variety of independent contractors that offer classroom teacher support, but pricing is not readily available. As a result, a cost comparison could not be conducted for this type of technical assistance.

C. Special Education Support

Technical assistance for Special Education support includes how to use assessment instruments, informing classroom personnel as to eligibility requirements, and updates on federal and state regulations. Assistance is also available for dealing with specific disabilities such as autism and dyslexia.

Special Education Support Services Results:

- In the five selected regions, Special Education support services generated $56,000 in ESC revenues from 298 districts and charter schools, representing approximately 1.6 million students (WADA).
- The total savings to school districts was $95,794 and the per-WADA savings was $0.06.
- Competitor prices were, on average, 171 percent higher than ESC unit prices.
- ESCs dedicated between 0.22 and 15.7 FTEs to Special Education support services. For the four ESCs combined, a total 30.96 FTE employees provided Special Education support services at a cost of $2.4 million primarily funded through federal funds.

Table 4.6 summarizes the comparative data for Special Education support services for each of the selected ESCs.

Table 4.6. ESC Data for Special Education Support Services

Technical Assistance: Special Education Support Services	Region II	Region VIII	Region X	Region XIII	Region XVIII	Consolidated Amounts
2010-11 Revenues	$6,590	(1)	(1)	$38,000	$11,430	$56,020
Unit price	Average of $22/hr	(1)	(1)	$500 per day	Negotiated contracts	**Not Applicable**
Number of districts using product	39	39	117	75	28	298
Number of students (WADA) represented	102,765	79,295	935,423	454,404	60,412	1,632,099
FTE staff	0.22	(2)	15.7	15.04	Not Available	30.96
FTE cost:						
Local funding	$1,103	(2)	$0	$22,398	Not Applicable	$23,501
State funding	$0		$106,381	$281,816		$388,197
Fed funding	$14,831		$1,154,728	$808,825		$1,978,384
Total	$15,934		$1,261,109	$1,113,040		$2,390,082

Notes:

(1) Technical assistance in Special Education support is provided through state and federal funds at no cost to districts.

(2) Data not tracked.

Special Education support to districts is primarily provided through federal funding and therefore is not always a cost to the districts receiving support. Regions VIII and X did not recognize revenues because of this funding structure.

Region II provides technical assistance to districts using different hourly rates for the various types of assistance provided, with the average calculated at $22 per hour. Region XIII charges a flat fee of $500 per day for its Special Education technical assistance, which equates to $62.50 on an hourly basis.

Several independent contractors providing Special Education support services to Texas school districts were identified by the ESCs, all of whom charge a daily rate for services. Competitor prices are presented in Table 4.7.

Table 4.7. Alternative Providers for Special Education Support Services

Alternative Provider	Daily Rate
Provider A	$3,800
Provider B	$1,600
Provider C	$2,000
Provider D	$950
Provider E	$1,600
Provider F	$1,500
Provider G	$500
Provider H	$600
Provider I	$500
Provider J	$500
Average Alternative Provider Rate	$1,355

**Provider names have been masked.*

The average daily rate for the alternative providers is calculated to be $1,355; this translates into an hourly rate of $169.38

Table 4.8 provides a comparison of the ESC average rate which was calculated using Region XIII's rate which equates to $62.50 per hour. The total savings achieved by using ESC services is $95,794, with a per-WADA savings of $0.06.

Table 4.8. Savings Calculations for Special Education Support Services

	Amount
Average alternative provider hourly rate	$169.38
Average ESC hourly rate	$62.50
% Above (Below) ESC Cost	171%
ESC Special Education Revenue	$56,020
Savings from using ESCs	$95,794
WADA of districts served	1,632,099
Savings per WADA	$0.06

D. Low Performing Districts Support

ESCs offer technical support to low performing districts by assisting with professional development planning, assessment of student data, instruction in using assistive devices, and assistance with Campus Improvement Plan development, among other types of support.

Low Performing Districts Support Results:

- The ESCs in the sample provided low performing districts support to 86 school districts and charter school for a total combined revenue of $456,000. This represents approximately 873,000 students (WADA) served.
- The total savings to school districts was $18,000 and the per-WADA savings was $0.02.
- Competitor prices were, on average, 4 percent higher than ESC prices for these services.
- ESCs dedicated between 0.85 and 22 FTEs to low performing districts support. For the ESCs combined, a total 26.54 FTE employees provided searches at a cost of $941,000.

Table 4.9 summarizes the comparative data for low performing districts support for each of the selected ESCs. Districts using these services from Regions VIII and X primarily use state or federal funding to pay for these services.

Table 4.9. ESC Data for Low Performing District Support

Technical Assistance: Low Performing District Support	Region II	Region VIII	Region X	Region XIII	Region XVIII	Consolidated Amounts
2010-11 Revenues	$306,637	(1)	$5,000(3)	$57,000	$87,191	$455,828
Unit price	Average of $72/hr	(1)	Not applicable	20 surveys $1,000 ea 5 snapshots $7,500 ea	Negotiated contracts	**Not Applicable**
Number of districts using product	43	1	29	11	2	86
Number of students (WADA) represented	126,932	327	538,801	148,234	58,381	872,675

Technical Assistance: Low Performing District Support	Region II	Region VIII	Region X	Region XIII	Region XVIII	Consolidated Amounts
FTE staff	Not Available	(2)	3.9	21.79	.85	26.54
FTE cost:	Not Applicable	(2)				
Local funding			$0	$22,478	$69,714	$92,192
State funding			$129,613	$215,672	$0	$345,285
Federal funding			$191,523	$311,914	$0	$503,437
Total			$321,137	$550,064	$69,714	$940,915

Notes:

(1) Technical assistance in low performing district support is provided through state and federal funds at no cost to districts.

(2) Data not tracked.

(3) Contract with Dallas ISD for Completion Rate; all other technical assistance provided through state and federal funding.

Three alternative providers were identified as providing similar services. Since rates of individual competitors were not available, the lowest known rate reported of $600 per day was used, which translates to an hourly rate of $75.00. Table 4.10 shows a comparison of alternative provider pricing to the ESCs. An ESC average ESC hourly rate of $72 was used for this comparison since Region II was the only ESC that offers hourly rate pricing.

Table 4.10. Cost Calculations for Low Performing Districts Support

	Amount
Competitor hourly rate	$75.00
Average ESC hourly rate	$72.00
% Above (Below) ESC Cost	4%
ESC Revenue from low performing districts support	$455,828
Savings from using ESCs	$18,233
WADA of districts served	872,675
Savings per WADA	$0.02

E. Network and Infrastructure Services

ESCs assist school districts and charter schools with technical services related to their networks and infrastructure systems. These services can include providing support for video conferencing,

management information systems, and specific applications such as TxGradebook, TxMYZONE, and TxEIS.

All five of the ESCs included in the sample provide these services; however, there is a large diversity in the specific services rendered, pricing structures for the services, and how revenues from the services are recognized. Of the five selected ESCs, three could not separately identify revenues from network and infrastructure technical assistance because the services are offered through bundled services.

Network and Infrastructure Services Results:

- The two ESCS reporting revenues for networking and infrastructure technical assistance generated $62,115 in revenues from the 61 districts and charter schools they serve, representing approximately 140,000 students (WADA). In total, all five ESCs served 1.3 million students (WADA) in 227 districts.
- Because of the unique pricing structure of alternative providers of this service, a price comparison could not be performed.
- In total, the five ESCs dedicated between 0.25 and 6.9 FTEs to network and infrastructure services. A total of 17.53 FTE employees provided this technical assistance at a cost of $1.1 million.

Table 4.11 summarizes the comparative data for network and infrastructure services for the ESCs included in the network and infrastructure services sample.

Table 4.11. ESC Data for Network and Infrastructure Services

Technical Assistance: Network and Infrastructure Services	Region II	Region VIII	Region X	Region XIII	Region XVIII	Consolidated Amounts
2010-11 Revenues	$10,115	$52,000	(1)	(1)	(1)	$62,115
Unit price	Range of $82 to $99 per hour	Flat rate of $3,250	>=20 hrs/month $125/hr >=50 hrs/month $90/hr Non-contract fee $165/hr (min	Not Applicable	Not Applicable	Not Applicable

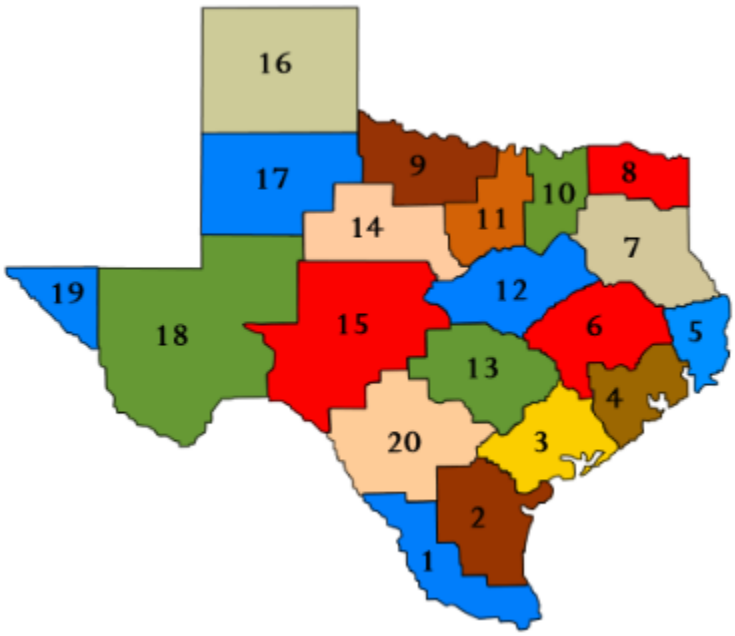
Technical Assistance: Network and Infrastructure Services	Region II	Region VIII	Region X	Region XIII	Region XVIII	Consolidated Amounts
			5 hrs)			
Number of districts using product	45	16	87	46	33	227
Number of students (WADA) represented	126,409	13,293	908,325	165,050	65,061	1,278,138
FTE staff	0.38	0.25	6.9	0.8	9.2	17.53
FTE cost:						
Local funding	$22,813	$5,201	$551,864	$43,808	$0	$523,686
State funding	$595	$0	$0	$3,136	$476,116	$479,847
Fed funding	$2,767	$0	$0	$0	$0	$2,767
Total	$26,175	$5,201	$551,864	$46,944	$476,116	$1,106,300

Notes:

(16) Technical assistance provided as part of a bundled service and revenues are not tracked separately.

Although several sources of alternative providers for network and infrastructure services were identified, pricing of these services is provided on a project scope basis as opposed to an hourly rate. As a result, a pricing comparison was not possible for this service.

Education Service Centers of Texas



Education Service Center	Executive Director	Address	Phone
Region I – Edinburg	Mr. Jack Damron	1900 West Schunior Edinburg, TX 78751	(956) 984-6000
Region II – Corpus Christi	Dr. Linda Villarreal	209 North Water Corpus Christi, TX 78401	(361) 561-8400
Region III – Victoria	Dr. Julius Cano	1905 Learly Lane Victoria, TX 77901	(361) 573-0731
Region IV – Houston	Dr. William McKinney	7145 West Tidwell Houston, TX 77092	(713) 462-7708
Region V – Beaumont	Dr. Danny Lovett	2295 Delaware Beaumont, TX 77703	(409) 838-5555
Region VI – Huntsville	Mr. Thomas Poe	3332 Montgomery Huntsville, TX 77340	(936) 435-8400
Region VII – Kilgore	Mrs. Elizabeth Abernethy	1909 North Longview Kilgore, TX 75662	(903) 988-6700

Education Service Center	Executive Director	Address	Phone
Region VIII – Mount Pleasant	Dr. Ray Glynn	2230 North Edwards Mount Pleasant, TX 75455	(903) 572-8551
Region IX – Wichita Falls	Ms. Anne Poplin	301 Loop 11 Wichita Falls, TX 76306	(940) 322-6928
Region X – Richardson	Mr. Wilburn Echols, Jr.	400 East Spring Valley Richardson, TX 75081	(972) 348-1700
Region XI – Fort Worth	Dr. Clyde Steelman	3001 North Freeway Fort Worth, TX 76106	(817) 740-3600
Region XII – Waco	Dr. Jerry Maze	2101 West Loop 340 Waco, TX 76702	(254) 297-1212
Region XIII – Austin	Dr. Terry Smith	5701 Springdale Austin, TX 78723	(512) 919-5313
Region XIV – Abilene	Mr. Ronnie Kincaid	1850 Highway 351 Abilene, TX 79601	(325) 675-8600
Region XV – San Angelo	Mr. Scot Goen	612 South Irene San Angelo, TX 76903	(325) 658-6571
Region XVI – Amarillo	Mr. John Bass	5800 Bell Amarillo, TX 79109	(806) 677-5000
Region XVII – Lubbock	Dr. Kyle Wargo	1111 West Loop 289 Lubbock, TX 79416	(806) 792-4000
Region XVIII – Midland	Mr. John Thomas	2811 LaForce Midland, TX 79711	(432) 563-2380
Region XIX – El Paso	Dr. James Vasquez	6611 Boeing El Paso, TX 79997	(915) 780-6537
Region XX – San Antonio	Dr. Ronald Beard	1314 Hines Avenue San Antonio, TX 78208	(210) 370-5200