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# FAST

Financial Allocation  
Study for Texas 2010

## Connecting the Dots: School Spending and Student Progress

**3**

### Smart Practices for Minimizing Costs

Learn more about the strategies and practices Texas school districts use to keep spending down with these smart ideas from across the state.



# FAST

## FINANCIAL ALLOCATION STUDY FOR TEXAS

### SCHOOL DISTRICT LISTINGS

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**T**his is Part 3 of 4 in the Financial Allocation Study for Texas (FAST) report. The complete version is available online at [www.FASTexas.org](http://www.FASTexas.org).

View the FAST report's other sections online, including:

**PART 1: EXECUTIVE SUMMARY**

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**PART 2: SCHOOL DISTRICT AND CAMPUS LISTINGS**

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**PART 4: COST EFFICIENCIES IN HIGHER EDUCATION**

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**APPENDIX: BACKGROUND, METHODOLOGY AND EXPANDED DATA  
FOR RECOMMENDATIONS**

**H**ouse Bill 3, the 2009 legislation calling for the FAST project, charged the Texas Comptroller with “identify[ing] potential areas for district and campus improvement.” To accomplish this task, the Comptroller’s research team followed four related strategies:

- evaluated its study outcomes to identify districts that have succeeded in improving student achievement while keeping expenditures relatively low — the 43 “five-star” districts cited in Section III;
- contacted each of these districts and asked them to describe the strategies and programs they credit as contributing to their success;
- contacted other districts showing low spending relative to their fiscal peers or strong academic performance; and
- consulted experts in the field — superintendents, school board members, staff at regional education service centers, stakeholder associations and others with knowledge of effective school district practices — who identified other school districts that might offer additional “smart practice” ideas.

The research team sought school district practices that meet one or more of the following criteria:

- has proven to be an effective practice for containing, reducing or avoiding costs;
- improves the efficiency and effectiveness of educational program delivery, including demonstrated improvement in student performance;
- is estimated to produce a significant long-term return on investment for the district;
- has significantly increased purchasing power through the use of purchasing partnerships;
- has realized efficiencies through the use of shared services arrangements with other districts; and/or
- can be implemented by other districts.

**Part 3** of this report provides a detailed discussion of the resulting collection of “smart practices,” as a guide to other Texas school districts interested in improving the effectiveness of their operations and educational programs. **Part 3** can be found online at [www.FASTexas.org](http://www.FASTexas.org).

The smart practices fall into four broad categories:

- instruction and staffing
- financial management and technology solutions
- purchasing and student services
- facilities



## SMART PRACTICES

This volume of the FAST report summarizes the results of these discussions, with the goal of sharing replicable “Smart Practices” and informing policy discussions at the state and local levels. Where applicable, districts and local stakeholders are encouraged to use these Smart Practices as blueprints for improving their own operations.



Smart practices related to the construction and maintenance of facilities were the most frequently cited areas for potential cost savings by school districts.



## INSTRUCTION AND STAFFING

Payroll accounts for nearly **60 percent** of an average school district's expenditures. Many districts have found ways to reduce **staffing** levels through attrition and staff consolidation. Some have taken advantage of class-size waivers to reduce the number of teachers needed at each campus.

Many districts, particularly those in rural areas, use online education and distance learning to offer classes they would not be able to provide directly. Districts also use Web-based programs to provide professional training and distribute lesson plans. One district reported that distance learning and dual-credit arrangements with the local community college had saved it **\$450,000 a year**.

## FINANCIAL MANAGEMENT AND TECHNOLOGY SOLUTIONS

Districts also have found ways to reduce their costs through financial management and technology strategies.

Districts may realize significant savings by refinancing their bond debt. One district reported that its debt management program has saved it more than **\$40 million annually** in interest payments on bonds over the past two years.

Technological upgrades, while entailing upfront costs, can pay off with long-term savings. One district found a way to minimize its costs by sharing the cost of a network infrastructure — including telephone, Internet and an in-ground fiber-optic network — with the city, saving it **\$610,000**. The district and the city also share a data center.

## PURCHASING AND STUDENT SERVICES

Many smart practices fall in the category of **purchasing**, such as using co-ops and regional education service centers to reduce costs and improve services.

Purchasing co-ops are a very common way to save money; some districts report savings of **more than \$1 million a year**. A number of such co-ops are available to schools, including the Comptroller's State of Texas CO-OP and others offered through ESCs and other organizations.

Districts have found innovative and economical ways to share (or contract for) services. Many small districts contract with their region's education service center (ESC) for payroll, benefit and other business services. Others have joined co-ops to obtain special education, technology and alternative education services. Shared services saved one district approximately **\$2.5 million a year**.

Some districts have found savings in **student services**, particularly transportation and food service.

Many districts buy bus and fleet fuel and food for school lunch programs through purchasing co-ops. One district even produces its own biofuel, at an estimated savings of **\$57,000 annually** compared to the commercial cost of diesel fuel.

Computerized bus route scheduling and food purchasing software have helped some districts realize savings and operational efficiencies. Two districts each reported at least



**\$1.7 million** in savings from routing software and other innovative transportation practices, and another credited its automated food service system as contributing to **more than \$400,000** in annual savings.

## FACILITIES

Many smart practices offering potential savings involved **facility construction and maintenance**.

Many fast-growing districts use architectural prototypes to save money on building design fees, which can account for up to **6 percent** of school construction costs. Reducing design fees through the use of architectural prototypes can save **\$150,000 to \$300,000** on a typical school building.

A large number of districts have found that “going green” can be cost-effective. Energy and water conservation practices account for a substantial amount of savings — more than **\$40 million** in the districts we contacted.

Several districts cited facility sharing arrangements with other districts or local governments, with shared recreational facilities and office space offering substantial savings.



Districts are exploring ways to use technology to make traditional educational delivery methods more efficient and effective.



## SHARE YOUR SMART PRACTICE

**F**ind the most up to date list of FAST report Smart Practices online at [www.FASTexas.org](http://www.FASTexas.org). We will continually update the list, so please visit often to see new ways school districts across Texas are saving costs and improving student achievement through smart practices in facilities, business services, staffing, technology and student services. You also can share your school’s success. Visit [www.FASTexas.org](http://www.FASTexas.org) to send us your district’s smart practices for review and possible inclusion on the list.

## INSTRUCTION AND STAFFING

The instruction and staffing category includes practices related to the administration of district functions and staff, including class size, online education, staff allocation and employee benefits.

## CLASS SIZE

Many districts have saved money by requesting waivers from TEA allowing them to exceed the state limit of 22 students per teacher in each kindergarten through fourth grade classroom. Districts can manage payroll costs by adding teachers only when class sizes become large enough to affect student academic performance.

DISTRICT	COUNTY	ENROLLMENT (2008-2009)	SMART PRACTICE	ESTIMATED SAVINGS
AUBREY	Denton	1,688	Received waivers from TEA to exceed the statutory class size limit. Moving some classes to a 24:1 ratio reduced the district's need for additional teachers. Larger classes have not negatively affected academic performance.	\$100,000 annually
JIM HOGG	Jim Hogg	1,127	Has reduced staff to bring student-teacher ratios closer to the state-required 22 students per teacher in each class from kindergarten through fourth grade. The district has reduced staff in other areas as well.	\$107,000 annually



## PROJECT SHARE

In 2009, TEA announced an initiative called Project Share, a web-based networking environment intended to enhance teacher training and collaboration. The project provides online training modules from the state's education service centers, and includes an academic network allowing teachers to share their knowledge, portfolios, ideas and classroom strategies. In addition, the platform offers access to news content. ■ Parts of the Project Share system are akin to a social network but geared for the academic universe, and in the case of Project Share, for teachers specifically. In Project Share, teachers can form or join work groups and forums, share files and work on Wikis (an evolving document with multiple authors). Through "ePortfolios," teachers can present information online — anything from a personal profile to a classroom website.

## CSCOPE

Curriculum development can be time-consuming and expensive, and most districts lack the resources (in time, staffing or money) to accomplish this task alone. ■ CSCOPE is a comprehensive online curriculum management system owned by a partnership of 19 Texas regional education service centers, collectively called the Texas Education Service Center Curriculum Collaborative (TESCC). Its curriculum is based on and aligned with the Texas Essential Knowledge and Skills, the state's standards for public education. CSCOPE includes three key components that work in concert with each other, Curriculum and Assessment, Innovative Technology and Professional Development. CSCOPE provides school districts with support for curriculum implementation, curriculum monitoring and an accountability process to ensure implementation. ■ According to TESCC, developing a similar product would cost the average school district \$4.35 million. By combining their resources through TESCC, 750 school districts shared its development costs at a cost of about \$5,800 each.

Source: Texas Education Service Curriculum Collaborative



## ELECTRONIC TEXTBOOKS

The term "electronic textbook" can encompass a wide variety of educational products, from an online PDF copy of a textbook to an extensive online course curriculum. ■ Electronic textbooks can be obtained in a variety of ways. In some instances, the content can be purchased from the publisher once and distributed to any number of students free of charge. Other private companies offer extensive teaching tools that can be purchased on a per-student basis. Some products allow teachers to customize their curricula, track student progress, share resources with other teachers and download lessons and instructional materials. ■ In Texas, 985 school districts used electronic textbooks during the 2009-10 school year, but none have replaced traditional printed textbooks entirely. Until recently, electronic textbooks had to go through the same state approval process as printed instructional materials. The 2009 Legislature, however, permitted school districts to purchase electronic textbooks from a TEA commissioner-approved list.

Source: Texas Education Agency.

## ONLINE EDUCATION AND DISTANCE LEARNING

Many districts, particularly those in rural areas, use online education and other distance learning methods to offer classes. Districts also use web-based programs to provide professional training and distribute lesson plans.

DISTRICT	COUNTY	ENROLLMENT (2008-2009)	SMART PRACTICE	ESTIMATED SAVINGS
CANADIAN	Hemphill	807	Every student in grades 7 through 12 is issued a laptop computer they can take home at night and on weekends during the school year. District offers an array of distance learning classes, including courses through the Texas Virtual School Network. Teachers and administrators can attend meetings and classes through video conferencing.	\$13,381 in avoided travel expenses; in fall 2010, students taking dual-credit courses by computer saved the district \$17,600 in staffing costs.
COPPELL	Dallas	9,915	Instructional software has eliminated the need for additional foreign-language teachers.	\$275,000 annually
EL PASO	El Paso	62,071	Offers online distance learning between high school campuses in subjects including art history, music theory and Japanese.	\$150,000 annually
FRENSHIP	Lubbock	6,999	Participates in the Texas Virtual School Network, allowing students to take classes the high school does not offer. Also allows students to work on laptops during one period to receive South Plains College dual credit.	\$80,000 annually
GARLAND	Dallas	56,946	Contracts with a commercial vendor for web-based staff training. Garland teachers can access an online, on-demand library of more than 200 hours of training videos at their convenience.	\$320,000 annually
MOULTON	Lavaca	304	Offers distance learning options including four dual-credit classes in conjunction with Victoria College. Allows teachers to attend Region 3 meetings and workshops through teleconferencing, saving hours of drive time and travel costs.	\$86,000 annually

## ACADEMIC AND ADMINISTRATIVE SOLUTIONS

Districts can use technology to streamline work processes and analyze student data. Tracking student achievement allow districts to adjust instruction to meet student needs. Some districts also save money by developing and sharing online curricula.

DISTRICT	COUNTY	ENROLLMENT (2008-2009)	SMART PRACTICE	ESTIMATED SAVINGS
ALPINE	Brewster	1,025	Reduced printing costs by posting information on the district website rather than by mailing notices to parents, students and others. Also has networked the district's printers, allowing staff to send print jobs to the copier rather than the more expensive laser printer.	\$9,500 annually
BOOKER	Lipscomb	388	Uses CSCOE, a web-based curriculum product available to all districts through the Educational Service Centers. The curriculum is aligned to the Texas Essential Knowledge and Skills and includes lesson plans.	District estimates a commercial product would cost \$25,000 to \$35,000 more annually.

<b>BOVINA</b>	Parmer	479	Uses E-Rate, the Schools and Libraries program of the Universal Service Fund, which provides discounts to eligible schools and libraries for telecommunication services, Internet access and internal connections, particularly those in rural and economically disadvantaged areas.	\$55,000 annually
<b>CLEAR CREEK</b>	Harris	37,045	Developed online curriculum documents that provide a consistent template, clearly communicating objectives. The electronic format saves money on copying costs and allows its teachers to access any curriculum from any computer.	\$60,000 annually in paper and printing costs
<b>CONROE</b>	Montgomery	47,769	Developed software solutions that systematically identify and track students at risk of dropping out. The systems also allow administrators and teachers to constantly analyze performance trends; parents can monitor their children's grades, attendance and disciplinary actions.	No savings estimate, but district's 2008 dropout rate for grades 7 and 8 was one-third of the state's dropout rate.
<b>PILOT POINT</b>	Denton	1,469	Uses data assessment and curriculum software to track and analyze student performance. Students who fail a course must enroll in the district's Curriculum Support Initiative, an extracurricular tutorial program covering both core and elective classes.	No savings estimate, but three campuses have achieved "recognized" rating from the state.

#### STAFF ALLOCATION

Many districts use staffing analyses to compare their staffing patterns to other districts. The Texas Association of School Boards offers assistance with such analyses, as do various private consulting firms. Some larger districts have the staff needed to conduct such analyses themselves. Some districts have created strategies that reduce their need for new staff. Some use their employees in multiple roles to avoid additional hiring, while others have found ways to make more efficient use of their teachers' time. And some districts have directed more money into instruction by keeping administrative staff levels at a minimum.

DISTRICT	COUNTY	ENROLLMENT (2008-2009)	SMART PRACTICE	ESTIMATED SAVINGS
<b>ALIEF</b>	Harris	45,130	Currently conducting a staffing survey to analyze staffing patterns and recommend savings. The district has consolidated several staff positions in non-instructional areas.	\$500,000 annually
<b>CEDAR HILL</b>	Dallas	8,079	Switched from a block schedule (in which students alternate classes every other day) to a traditional schedule, allowing the district to reduce teacher planning time from two hours a day to one and thus increasing each teacher's instructional time by one class period a day. This allowed the district to offer the same number of courses while eliminating 23 positions through attrition.	\$350,000 annually
<b>DALLAS</b>	Dallas	157,174	Realigned staffing in its Food and Child Nutrition Services Department to meet a more cost-effective meals-per-labor-hour formula.	\$800,000 annually



DISTRICT	COUNTY	ENROLLMENT (2008-2009)	SMART PRACTICE	ESTIMATED SAVINGS
EL PASO	El Paso	62,071	Partners with El Paso Community College to provide dual-credit courses. Nearly 1,800 students take these courses, which would require nine additional teachers if offered by the district.	\$300,000 annually
FORT DAVIS	Jeff Davis	344	District faculty are shared among multiple grade levels and campuses.	\$45,000 annually
KLONDIKE	Dawson	195	Uses staff members in multiple roles. For example, some teachers perform additional duties, such as serving as textbook coordinator or teaching more than one subject; the counselor is also a teacher. Administrators drive school buses.	No savings estimate, but annual spending on support staff is about \$15,000 less than the average for similar districts
POTH	Wilson	797	Employs a minimum of non-teaching staff — one school nurse, one librarian and one counselor. One cafeteria serves all students. One campus administrator runs each school without assistant principals. The district's three campuses are co-located, allowing for the most efficient use of staff and facilities.	\$315,000 annually
RICHARDSON	Dallas	34,320	District officials frequently compare nonteaching staffing levels to those in similar districts. When staffing levels seem too high by comparison, they combine staff positions.	\$600,000 annually
ROUND ROCK	Williamson	41,461	Operates with half of the administrative staff cost ratio recommended by the Texas Education Agency's Financial Integrity Rating System of Texas.	No savings estimate, but annual spending on administrative costs is about \$4 million less than the average for similar districts
SILSBEE	Hardin	2,885	Conducted a comprehensive staffing study through TASB and reduced staff by nine teachers, two custodians and two paraprofessionals, all through attrition. The district continues to examine each new vacant position to determine if it needs to be filled.	\$600,000 for the 2009-10 school year

#### EMPLOYEE BENEFITS

Districts can realize both savings and improved employee productivity from effective and innovative employee benefits programs.

DISTRICT	COUNTY	ENROLLMENT (2008-2009)	SMART PRACTICE	ESTIMATED SAVINGS
EL PASO	El Paso	62,071	Self-funds workers' compensation. Holds quarterly safety meetings at each of 100 campuses and 25 departments. The district also closely monitors claims to verify that they are on-the-job injuries.	\$3 million annually
PHARR-SAN JUAN-ALAMO	Hidalgo	30,537	Operates an in-house health clinic for all employees. Employees are not charged co-pays for clinic visits or prescriptions and waiting periods for doctors are short.	No savings estimate, but reduces staff time away from work.

## FINANCIAL MANAGEMENT AND TECHNOLOGY SOLUTIONS

Financial management and technological upgrades have been used by many districts to achieve savings. Out of all school district spending during 2008-09, nearly 9 percent was for bond and other debt.

## FINANCIAL MANAGEMENT

All school districts are obligated to practice sound fiscal stewardship, including financial reporting, accounting, data management, asset management and risk assessment. Some have realized significant savings by refinancing their bond debt, while others have increased revenue by aggressively seeking grants.

DISTRICT	COUNTY	ENROLLMENT (2008-2009)	SMART PRACTICE	ESTIMATED SAVINGS
CYPRESS-FAIRBANKS	Harris	100,505	Uses a Campus Improvement Planning process to help administrators make informed spending decisions. Has contracted with consultants to study efficiency opportunities, staffing patterns and practices, etc.	Allowed the district to cut \$13 million from its budget through service cuts and staff attrition.
KATY	Harris	56,191	Continuously monitors the interest rates of the bonds it sells, refinancing when possible to achieve lower interest rates and save money.	\$24.8 million saved through bond refinancing since 2006
NORTHSIDE	Bexar	88,201	Has an active debt management program intended to reduce the financial impact of bond issues on taxpayers by watching market conditions and continually refinancing bond debt at lower interest rates. In addition, the district does not sell all of its bonds at one time and instead waits until the money is needed for projects.	\$40 million annually
ROUND ROCK	Williamson	41,461	Has pursued and received grants to purchase library materials and computer hardware; district library staff also has conducted a variety of fundraisers.	For 2009-10 school year, library grants totaled about \$25,000; fundraisers brought in \$230,000
SPRING BRANCH	Harris	32,326	Accelerated bond program projects to take advantage of lower building and borrowing costs.	\$15 million



## FREE SOFTWARE

Most office desktop computers are used primarily for e-mail and the creation and review of work-related documents such as reports, memos, spreadsheets and presentations. ■ These routine functions entail obvious ongoing costs. Most organizations maintain their own e-mail systems, including servers and software, as well as software for documents, typically Microsoft Office. ■ Many organizations have begun looking for alternatives to these systems that can save money. Google Apps, for example, is an online software package that can replace both Office and internal e-mail systems — and it is free for schools, colleges and universities. ■ Several major organizations have already adopted such online solutions. Wyoming, for instance,

is moving 10,000 state employees to Google Apps. Five states (New York, Colorado, Oregon, Iowa and Maryland) now offer access to Google Apps for their K-12 students, as do a few Texas school districts including Conroe and Spring Branch. ■ The Texas Education Agency (TEA) plans to pilot the use of Google Docs, the document software within Google Apps, by the end of calendar 2010.

Sources: "Wyoming to Move State Employees to Google Apps," *Government Technology* (October 27, 2010); "I'm in a Google Apps State of Mind," *Official Google Enterprise Blog*, October 5, 2010; and Rick Goldgar, chief technology officer, Texas Education Agency.

## TECHNOLOGICAL UPGRADES

Technological upgrades to existing equipment, while requiring upfront costs, can pay off in long-term savings. Districts have found savings by sharing large IT investments and by installing cost-efficient systems such as virtual servers and VoIP communication.

DISTRICT	COUNTY	ENROLLMENT (2008-2009)	SMART PRACTICE	ESTIMATED SAVINGS
CEDAR HILL	Dallas	8,079	Cedar Hill ISD and the city of Cedar Hill split the cost of a shared network infrastructure, including telephone, Internet and an in-ground fiber-optic network. The district and the city also share a data center.	\$610,000
NORTHSIDE	Bexar	88,201	Acquired a Voiceover IP (VoIP) telephone system that has allowed the district to put telephones in more than 5,500 classrooms while realizing a significant savings on monthly billings.	\$300,000 annually
SPRING BRANCH	Harris	32,326	Has shifted to a virtual server environment, consolidating 200 physical servers into 10 virtual servers. It uses blade server technology to host the virtual servers, and has consolidated database servers into a clustered environment. In addition, the district has adopted a new backup architecture to improve data security.	\$200,000 annually plus a one-time savings of \$100,000 from database server consolidation
VERIBEST	Tom Green	276	Has installed "thin client" technology that allows one server to accommodate up to 30 computers in a classroom. The server performs most of the actual computing, including programs, file storage and Internet access, allowing client machines to use less energy and last longer.	One-time savings of \$93,000 from purchasing client machines vs. conventional desktop computers. \$55,200 annually in utility and maintenance savings.

## SHARED BUSINESS SERVICES

With the assistance of Regional Education Service Centers (ESC) throughout the state, Texas school districts can have high-quality business services through shared service agreements.

For example, the Region 17 Education Service Center (ESC), which serves 57 primarily rural public school districts and three charter operators in 20 counties surrounding Lubbock, operates a cooperative that provides three levels of business services:

- **Level 1 services** are intended for districts that have an experienced business services staff. This level provides technical assistance and training in various areas of school finance and business services, including workshops on state aid and school funding formulas; assistance with TEA finance reports; and up to eight hours annually of assistance with

bank depository contracts and compliance with state regulations and state and federal maintenance-of-effort requirements. The ESC estimates that its member districts each save \$7,000 annually by using it rather than an independent contractor.

- **Level 2 services** are intended to replace or enhance existing district business staff. It includes training in school finance and business services as well as unlimited consultation in the areas of payroll, state and federal grants, budgeting and financial accounting and reporting, as well as banking support as needed.

- **Level 3 services** are intended to perform services in place of a district business office staff. Service options include payroll services, accounts payable and check processing,

financial accounting, budget preparation, PEIMS preparation, bank reconciliation and other services as negotiated. The ESC estimates that a district using all of these services would be able to operate without a full-time business manager. Districts receive \$45,000 in services for \$25,000, a savings of \$20,000 a year.

The superintendent of one participating district stated that they could not replace the quality of service they receive from the ESC.

Other ESCs also provide high-quality business services.

*Source: Region 17 Education Service Center*

## PURCHASING AND STUDENT SERVICES

Purchasing and student services include non-instructional services provided by school districts such as purchasing, transportation, and food services.

## PURCHASING

Purchasing cooperatives offer their member districts better prices than they can obtain on their own by pooling their orders. A number of co-ops are available to Texas schools, including the Comptroller's State of Texas Co-op and others offered through regional educational service centers and other organizations. Co-ops also reduce administrative and advertising costs associated with purchasing.

DISTRICT	COUNTY	ENROLLMENT (2008-2009)	SMART PRACTICE	ESTIMATED SAVINGS
ALIEF	Harris	45,130	Uses several purchasing co-ops to obtain the best prices on goods and services; requires multiple quotes for each purchase. Uses the Information and Communications Technology Cooperative administered by the Department of Information Resources for technology purchases. Acquired an automated warehouse restocking system that helped it reduce its inventory.	\$154,000 annually
ARANSAS COUNTY	Aransas	3,024	Uses the Region 2 Education Service Center Multi-Regional Purchasing Program to obtain paper, athletic supplies, library books, custodial supplies and instructional equipment.	\$217,000 annually
CEDAR HILL	Dallas	8,079	Participates in several purchasing cooperatives; eliminated its need for a warehouse by having vendors deliver supplies directly to campuses.	\$50,000 annually from direct delivery
COPPELL	Dallas	9,915	Participates in several purchasing cooperatives; collaborates with other districts to refine its internal purchasing processes.	\$11,000 annually
DALLAS	Dallas	157,174	Participates in several purchasing cooperatives, some providing rebates based on annual usage. Has a discount-price agreement with a presort mail distributor to pickup, sort, barcode and deliver all outgoing first class mail to the U.S. Post Office.	Mail agreement saves the district \$63,000 annually
EL PASO	El Paso	62,071	Uses a variety of group purchasing arrangements, including BuyBoard, the Texas Cooperative Purchasing Network, the Comptroller's State of Texas Co-op, DIR, TX-MAS, the National Joint Powers Alliance, U.S. Communities and the Region 19, 17, 13 and 4 Educational Service Center cooperatives.	\$1 million annually
KINGSVILLE	Kleberg	3,972	Participates in an energy purchasing consortium created by the Region 2 Education Service Center.	\$358,000 annually
KIPP HOUSTON (CHARTER)	Harris	3,433	Purchases some supplies including copiers and other printing devices through a group purchasing organization.	\$70,000 annually
MCALLEN	Hidalgo	24,970	Participates in co-ops offered through the Region 1 Education Service Center. Recently signed a 24-month electricity supply contract expected to save the district more than \$1.5 million.	\$1.5 million

DISTRICT	COUNTY	ENROLLMENT (2008-2009)	SMART PRACTICE	ESTIMATED SAVINGS
MISSION	Hidalgo	15,439	Uses several purchasing co-ops; used BuyBoard to consolidate districtwide copier leases.	\$90,000 on copier leases
MUMFORD	Robertson	531	Purchases 85 percent of its school supplies through the Harris County Purchasing Cooperative, a service of the Harris County Department of Education, saving at least 30 percent.	\$63,000 annually
NAZARETH	Castro	226	Participates in BuyBoard and co-ops offered through its region's Educational Service Center; continually compares prices to other vendors and tracks the annual prices per item.	Recently saved \$4,000 on two vehicle purchases through BuyBoard
ROUND ROCK	Williamson	41,461	District librarians review new books for publishers in exchange for donations of books for school libraries.	\$35,000 annually
SILVERTON	Briscoe	170	Participates in West Texas Purchasing Cooperative.	\$23,000 annually
SPRING BRANCH	Harris	32,326	Benchmarks its processes and procedures to determine the best purchasing methods. To find the best prices for goods and services, the district runs internal reports on current and previous expenditures with each vendor. In addition, the district shares vendor references with other school districts.	\$146,000 annually



#### STATE OF TEXAS CO-OP

Most Texas school districts belong to some purchasing cooperative, but even these may not be maximizing their opportunities for savings. ■ The Texas Comptroller's office operates the Cooperative Purchasing Program (the State of Texas CO-OP) and its TxSmartBuy website ([www.txsmartbuy.com](http://www.txsmartbuy.com)). At this writing, 673 school districts and charter school operators are members. ■ More than 1,000 Texas school districts belong to the Texas Association of School Boards' Local Government Purchasing Cooperative, also called BuyBoard. In some situations, they could save more through the State of Texas CO-OP. ■ For instance, the Comptroller's procurement staff contacted vendors that have contracts through both the State of Texas CO-OP and BuyBoard to obtain pricing on three different school buses based on their contracts. In each case, the State of Texas CO-OP offered better prices than BuyBoard.

Source: Texas Comptroller of Public Accounts.



## SHARED SERVICES AND CONTRACTING

School districts have found many innovative and economical ways to share or contract for services. Through shared-service arrangements, districts can combine resources with other entities to provide services more efficiently and effectively. These arrangements often allow smaller school districts to benefit from economies of scale.

The most common shared services in Texas public education involve instructional programs, such as special education and alternative education, which are expensive to provide. Many small districts contract with their region's Education Service Center for payroll, benefit and other business services.

DISTRICT	COUNTY	ENROLLMENT (2008-2009)	SMART PRACTICE	ESTIMATED SAVINGS
ALPINE	Brewster	1,025	Alpine ISD serves as fiscal agent for a special education co-op of 11 districts. The co-op shares the cost of an occupational therapist for about \$75,000 per year, half the contract price of \$150,000 per year.	\$75,000 annually for the co-op
CHANNING	Hartley	139	Contracts with regional Education Service Center for all staff training for \$2,000 per year. Participates in a special education cooperative with seven other school districts. The co-op employs a diagnostician, speech therapist and a director of special education.	\$18,000 to \$23,000 annually in training costs; \$55,000 annually in avoided cost for special education director and staff.
DARROUZETT	Lipscomb	150	Contracts with Region 16 ESC for accounting, budget, finance and payroll services.	At least \$20,000 annually
EL PASO	El Paso	62,071	The district's print shop offers its services to smaller school districts, charter schools, the Region 19 Educational Service Center and other governmental entities in the county.	The print shop realized a profit of \$250,000 in 2010
FRIENDSWOOD	Galveston	5,967	Contracts with neighboring Clear Creek ISD for its disciplinary alternative education program (DAEP). Partners with the College of the Mainland for dual-credit courses taught at Friendswood High.	\$285,000 annually on DAEP
GUSTINE	Comanche	228	Contracts with the Region 14 Educational Service Center for all its business services.	\$60,000 annually
KENEDY COUNTY-WIDE	Kenedy	88	Contracts for nearly all business services, including payroll accounting, human resources and budget reporting.	\$50,000 annually
LOOP	Gaines	127	Recently joined the Region 17 Educational Service Center's Employee Benefits Cooperative (EBC), which administers benefits for 68 districts. The EBC co-op provides 125/129 flex and 403(b) administration at no additional cost and offers billing and payroll reconciliation.	No savings estimate, but allows the district to offer additional services to its staff
MEADOW	Terry	266	Obtains accounting and financial services as well as other business office support functions from the Region 17 Education Service Center.	\$45,000 annually
NAZARETH	Castro	226	Obtains staff training as well as library, technology and business support from the Region 16 Educational Service Center. Shares a nurse with two other school districts and a speech pathologist with one.	Nurse/speech pathologist arrangements save \$60,000 annually

DISTRICT	COUNTY	ENROLLMENT (2008-2009)	SMART PRACTICE	ESTIMATED SAVINGS
NUECES CANYON	Edward	269	Participates in the Region 15 Business Services Cooperative for accounting and financial services.	\$20,000 annually
OLTON	Lamb	722	Outsources technology services to a private vendor.	\$45,000 annually
RICHARD MILBURN ACADEMY (CHARTER)	Nueces	253	Contracts with the Region 2 Educational Service Center for financial services and the processing of federal purchase orders.	\$22,000 annually
RICHARDSON	Dallas County	34,320	Contracts for a variety of services including curriculum writing and special education diagnostics. Uses the Region 10 Education Service Center as well as other contractors. Has a shared services agreement with Dallas County Schools for student busing services and a similar agreement with the city of Richardson for school resource officers.	\$2.5 million annually
ROUND ROCK	Williamson	41,461	Uses interlibrary loans to share print and non-print items between campuses.	Would cost the district \$241,000 if every library were required to purchase its own copy of the shared materials
SANDS	Dawson	220	Uses payroll and business office services provided by the Region 17 Education Service Center.	\$75,000 annually
SPRING BRANCH	Harris	32,326	After the retirement of two staff members, district consolidated their positions and contracted for the technical services they provided. Also shares a discipline alternative education placement program at the Harris County Department of Education with other districts.	\$200,000 from consolidated positions and technical service contracts; \$1.5 million from shared DAEP
WALL	Tom Green	1,001	Contracts with the Region 15 Educational Service Center for Internet connections, distance learning classes and "electronic field trips." Participates with other districts in special education and alternative education shared service arrangements.	Alternative education cooperative saves the district \$300,000 annually



### SHARED SERVICES IN TEXAS PUBLIC EDUCATION

Shared-service arrangements involve school districts combining resources with other entities to provide services more efficiently, taking advantage of economies of scale they cannot achieve on their own. The most common of these arrangements in Texas public education are for instructional programs, such as special education, adult basic education, disciplinary alternative education, bilingual education and vocational education.

Other examples of shared-service arrangements include:

■ **TRANSPORTATION COOPERATIVES** — Dallas County Schools (DCS), a countywide district providing services to school districts primarily in Dallas County, provides daily transportation services to 60,000 students in ten area school districts. Cedar Hill ISD estimates annual transportation savings of \$500,000 as a result.

■ **ENERGY PURCHASING** — Texas school districts in areas with deregulated energy markets can take advantage of electric utility aggregators, organizations registered with the Public Utilities Commission that negotiate pooled energy purchases. Sands CISD reduced its energy rates by 40 percent through the use of an aggregator.

*Source: Texas Education Agency.*

## TRANSPORTATION

Many districts purchase fuel for buses and fleets through purchasing co-ops at a substantial savings. Computerized bus route scheduling has helped districts realize operational efficiencies and savings.

DISTRICT	COUNTY	ENROLLMENT (2008-2009)	SMART PRACTICE	ESTIMATED SAVINGS
ALIEF	Harris	45,130	Purchases fuel for its vehicles from the Region 4 Education Service Center, saving as much as 6 cents per gallon.	\$30,000 annually
AMARILLO	Potter	30,647	Has outsourced its transportation needs to a contractor that provides special needs transportation, regular route services, field trips and extracurricular services.	\$200,000 annually
AUBREY	Denton	1,688	Has saved money by using buses on two routes each day.	\$214,000 annually
CEDAR HILL	Dallas	8,079	Contracts for bus service with Dallas County Schools, a special county school district offering various services including transportation. The district also staggers school start and end times to allow fewer buses to serve the same number of students.	\$550,000 annually
COPPELL	Dallas	9,915	Partnered with Dallas County Schools on the installation of a fuel storage tank, and is now buying fuel from Dallas County Schools at a discounted price.	\$14,000 annually
CORPUS CHRISTI	Nueces	38,324	A new routing software program allows the district to route buses more efficiently, saving time and fuel costs.	\$2 million annually
DALLAS	Dallas	157,174	Contracts for biofuel produced by Dallas County Schools for its buses and other vehicles.	\$57,000 annually
EL PASO	El Paso	62,071	A three-tier bus schedule allows a single bus to serve an elementary school, middle school and high school in the same morning. New routing software analyzes student demographics and shortest distances for more efficient routing. Has acquired 52 additional liquid petroleum gas-fueled buses and replaced 108 older buses with poor gas mileage and frequent repair needs. Fleet maintenance software allows the district to closely monitor its preventive maintenance needs.	\$1.7 million annually
IDALOU	Lubbock	948	Contracts with a management company for transportation services, including hiring transportation staff, setting school routes and determining the number of buses needed to travel to events out of the district.	No savings estimate, but annual transportation spending is \$615,000 less than the average of similar districts
PHARR-SAN JUAN-ALAMO	Hidalgo	30,537	Bus routing, scheduling and planning software allows the district to analyze bus routes and pickup sites and adjust them quickly. The district has been able to optimize its routes, increasing efficiency and enhancing services. Eligible ridership counts and the identification of route duplication have generated cost reductions.	No savings estimate, but annual transportation spending is \$1,935,000 less than the average of similar districts
RED LICK	Bowie	434	Participates in the Bowie County Transportation Cooperative, which provides home-to-school bus services for member districts.	No savings estimate, but annual transportation spending is \$52,000 less than the average of similar districts

DISTRICT	COUNTY	ENROLLMENT (2008-2009)	SMART PRACTICE	ESTIMATED SAVINGS
<b>RICHARDSON</b>	Dallas	34,320	Contracts with Dallas County Schools for transportation services.	No savings estimate, but annual transportation services spending is \$4,623,000 less than the average for similar districts
<b>ROUND ROCK</b>	Williamson	41,461	Uses software system to manage its bus routes for optimum efficiency. Staff monitors the system and bus routes daily, looking for necessary adjustments to bus stops, routes or scheduling. The district also is paid to manage the transportation systems for two nearby, smaller districts.	Savings and income total \$1.9 million annually
<b>SAN ANGELO</b>	Tom Green	14,367	Participates in a fuel purchasing cooperative with the city of San Angelo, the Concho Valley Council of Governments and the Region 15 ESC.	\$100,000 annually

### FOOD SERVICES

Many districts buy food for school lunch programs through purchasing co-ops at a substantial savings. Food purchasing software has helped districts realize additional operational efficiencies and savings.

DISTRICT	COUNTY	ENROLLMENT (2008-2009)	SMART PRACTICE	ESTIMATED SAVINGS
<b>ALIEF</b>	Harris	45,130	Uses the Harris County Department of Education's food cooperative to purchase produce, ice cream and commodity processing. Combined a federal programs supervisor position with a nutrition accountant position. To control expenses, district officials compare biweekly profit-and-loss statements to those from previous years, as well as to spending in similarly situated districts. Automated systems track annual commodity savings.	\$454,000 annually
<b>AGUA DULCE</b>	Nueces	367	Obtained a review of its food services by the Region 2 ESC nutrition staff, identifying areas for service improvement and savings.	\$13,000 annually
<b>ALPINE</b>	Brewster	1,025	Purchases food through the West Texas Food Bank at the Region 18 ESC. The high school consolidated two lunch serving times into one in the 2010-11 school year.	No savings estimate, but annual food services spending is \$85,000 less than the average of similar districts
<b>BROWNFIELD</b>	Terry	1,753	Is a member of the West Texas Food Purchasing Cooperative, which includes six regions and about 230 districts in West Texas.	\$15,000
<b>CHANNING</b>	Hartley	139	Participates in the Region 16 and 17 ESC food purchasing co-ops.	No savings estimate, but annual food service spending is \$13,104 less than the average of similar districts
<b>COPPELL</b>	Dallas	9,915	Saves about 3 percent to 5 percent on food purchases made through a large regional purchasing cooperative of 12 school districts.	\$80,000 annually

DISTRICT	COUNTY	ENROLLMENT (2008-2009)	SMART PRACTICE	ESTIMATED SAVINGS
GLADEWATER	Gregg	2,077	Purchases bread and milk through the Comptroller's Texas Procurement and Support Services (TPASS) Division.	\$19,000 annually
RICHARDSON	Dallas	34,320	Uses at least three food co-ops to find the best prices for various commodities. Benchmarks to other districts to ensure that it pays comparable prices and has the appropriate level of kitchen staff needed to prepare student meals.	\$500,000 annually
RIO GRANDE CITY	Starr	10,100	Uses purchasing co-ops. Modifies menus to remove items deemed too expensive. Less-expensive commodities used when available as substitutes for requested purchases. Has reduced costs through attrition and the reassignment of food service personnel from cafeterias that were overstaffed, and reduced the number of labor-intensive items on its menus.	\$800,000 annually
ROUND ROCK	Williamson	41,461	Uses the U.S. Department of Agriculture's National School Lunch Program's (NSLP) to obtain low-cost food for free or reduced-price meals for eligible schoolchildren. NSLP's "pass through" program, which allows the district to have foods sent directly from USDA warehouses to a food processor, saving the cost of shipping to the district. The processor then packages the food in ready-to-cook form and ships it to the district when needed, saving storage costs as well.	\$75,000 annually
SABINE	Gregg	1,290	Purchases bread and milk through the Comptroller's Texas TPASS Division.	\$11,000 annually
SHAMROCK	Wheeler	335	Participates in a combined commodity purchasing co-op for Regions 16 and 17.	No savings estimate, but annual food services spending is \$46,000 less than the average of similar districts
SOCORRO	El Paso	39,570	Outsourced food staffing services have reduced costs and overhead.	\$284,000
SPRING BRANCH	Harris	32,326	Maintains an accounting position in its Child Nutrition Services section that has significantly improved the district's federal reporting, monitoring and costing of menus. The district also participates in the Harris County Cooperative Purchasing network and various state purchasing co-ops such as BuyBoard	No savings estimate, but annual food services spending is \$575,000 less than the average of similar districts



## FACILITIES

The facilities category includes all practices related to the management or operation of school district facilities, including building design, construction, maintenance and energy conservation. In the 2008-09 school year, Texas school districts spent \$4.3 billion on plant maintenance and operations, accounting for 10.7 percent of all operating expenditures.

## BUILDING DESIGN

Many fast-growing districts use architectural prototypes to save money on building design fees, which can account for up to 6 percent of school construction costs. A district can save \$150,000 to \$300,000 on a typical school building. The following districts reported using architectural prototypes, standard fixtures and other efficient facility design practices.

DISTRICT	COUNTY	ENROLLMENT (2008-2009)	SMART PRACTICE	ESTIMATED SAVINGS
ALIEF	Harris	45,130	Uses standard architectural plans when constructing buildings.	\$375,000 for each new building
BEAUMONT	Jefferson	19,265	The district, with ten schools under construction, paid for one architectural prototype that was modified for the remaining nine schools.	\$150,000 per building
CYPRESS-FAIRBANKS	Harris	100,505	Uses architectural prototypes based on optimal instructional designs.	\$150,000 per building
DALLAS	Dallas	157,174	Recently built two middle schools using nearly identical architectural plans. By standardizing every possible aspect of school design, the district saved two months' design time and countless hours in future maintenance.	\$190,000
EL PASO	El Paso	62,071	Adapts existing architectural plans to new projects when possible to expedite project delivery and realize savings.	About \$75,000 for construction projects ranging from \$13 million to \$24 million
KELTON	Wheeler	130	The district, needing a new activity center to accommodate student growth and withstand tornados, built a steel-reinforced dome facility that has slashed its energy costs.	Approximately \$7,200 per year.
LUBBOCK-COOPER	Lubbock	3,447	The district uses architectural prototypes for the majority of its new facilities. The district also awards bids to construction firms bidding as construction managers at-risk. This arrangement guarantees that the firm will complete the project within a guaranteed maximum price.	Use of architectural prototypes has saved the district \$1.4 million on the construction of three elementary schools. Use of a construction manager at-risk saved the district \$8 million in the construction of a new middle school.
MCKINNEY	Collin	23,261	At least nine new schools built using architectural prototypes. The district uses two architectural firms, both offering prototype designs.	\$150,000 per building
MISSION	Hidalgo	15,439	Used a standard architectural prototype in designing an elementary and a middle school.	\$300,000 per project
ROUND ROCK	Williamson	41,461	Used the same architectural design for two new elementary schools.	\$100,000 per building

## FACILITIES AND CONSTRUCTION

Many districts have discovered innovative ways to avoid or reduce construction costs, such as acting as their own general contractors. Some districts find it more cost-effective to repurpose buildings rather than to construct them, while others have consolidated their facilities to generate savings.

DISTRICT	COUNTY	ENROLLMENT (2008-2009)	SMART PRACTICE	ESTIMATED SAVINGS
BEAUMONT	Jefferson	19,265	Plans to consolidate eight existing campuses into four.	\$1 million annually
COPPELL	Dallas	9,915	Repurposed an elementary school to avoid building a new high school facility.	\$700,000 annually
POTH	Wilson	797	In the past three years, the district constructed three new buildings, converted an old band hall into classrooms and air-conditioned the high school gym. The district acted as its own general contractor on these projects, avoiding the fee for this function, typically 15 to 20 percent of project cost.	\$490,000
SAN ANGELO	Tom Green	14,367	Created a process to blend construction and renovation projects; structured a bidding process to allow for adequate participation by local vendors and subcontractors.	Seven projects completed for \$2 million below projected costs
SPRING BRANCH	Harris	32,326	Rents space for one of its pre-kindergarten centers from a nonprofit organization for \$30,000 annually, allowing the district to avoid \$4.3 million in land and construction costs. Also saved money by using an old school building as a transition campus during the construction of a new school building.	Rent arrangement saves \$800,000 annually; transitional campus approach saved \$7 million



## ARCHITECTURAL PROTOTYPES

To make their building programs as cost-effective as possible, some fast-growing districts use architectural prototypes — floor plans based on optimal instructional designs. ■ These designs can be used on multiple projects, saving time and money on design work and reducing architectural fees by an amount equivalent to 1 to 2 percent of total construction costs. ■ Texas school districts spent nearly \$8.5 billion on facilities acquisition and construction in 2009. Greater use of architectural prototypes could cut some of these costs. ■ Architectural fees usually account for 6 percent of total construction costs — nearly \$510 million in 2009. Since prototypes generally entail fees of 4 to 5 percent, districts might have saved from \$85 million to \$170 million, assuming no architectural prototypes were used that year.

Sources: Texas Education Agency, Dallas Public Education Advocates, Texas Association of School Business Officials, Elgin Independent School District, Leander Independent School District, Round Rock Independent School District and Cypress-Fairbanks Independent School District.



## SHARE YOUR SMART PRACTICE

Find the most up to date list of FAST report Smart Practices online at [www.FASTexas.org](http://www.FASTexas.org). We will continually update the list, so please visit often to see new ways school districts across Texas are saving costs and improving student achievement through smart practices in facilities, business services, staffing, technology and student services. You also can share your school's success. Visit [www.FASTexas.org](http://www.FASTexas.org) to send us your district's smart practices for review and possible inclusion on the list.

## SHARED FACILITIES

Sharing facilities with other districts or local governments is another smart practice. Several districts reported sharing recreational facilities, disaster recovery sites, office space and other facilities for a substantial savings.

DISTRICT	COUNTY	ENROLLMENT (2008-2009)	SMART PRACTICE	ESTIMATED SAVINGS
ALPINE	Brewster	1,025	Shares facilities with both the 588 Purchasing Co-op and a field office of the Region 18 Education Service Center (ESC). The 588 Co-op rents office space in the district's administration building, and ESC 18 rents office space in a district field office.	The district collects \$21,600 annually in rent and uses it for building maintenance and operation costs
CEDAR HILL	Dallas	8,079	Worked with the city of Cedar Hill to build a \$27.5 million government center that houses district and city administrative offices as well as the police department.	About \$1 million in construction costs as well as \$50,000 annually in operating costs
EL PASO	El Paso	62,071	Maintains several agreements with the city of El Paso for use of city baseball and softball fields and swimming pools. The district, in turn, allows use of school playgrounds and facilities by various city programs and the community at large.	No savings estimate, but annual facilities maintenance spending is \$5.5 million less than the average of similar districts
POST	Garza	852	Uses the city of Post's baseball and softball fields during sports seasons. The school district maintains the fields during the season but is not responsible for upkeep during the off season, thus saving on equipment and staff costs.	No savings estimate, but annual facilities maintenance costs are about \$239,000 less than the average of similar districts

## MAINTENANCE

School districts are finding cost-efficient ways to keep their school buildings, grounds and other facilities clean and safe through preventive maintenance, better use of technology and the streamlining or consolidation of custodial staff.

DISTRICT	COUNTY	ENROLLMENT (2008-2009)	SMART PRACTICE	ESTIMATED SAVINGS
CEDAR HILL	Dallas	8,079	Reduced its maintenance schedule in half by cleaning buildings every other day instead of every day, allowing the district to cut 15 custodial positions.	\$300,000
COPPELL	Dallas	9,915	Uses scheduling and tracking software to increase the productivity of maintenance personnel and eliminate the need for more employees.	\$40,000 annually
EL PASO	El Paso	62,071	Created a second shift of maintenance workers working four 10-hour days weekly on repair work beyond school-occupied hours. Uses a computerized work-order system to track maintenance requests. Consolidated custodial services and schedules only necessary personnel, allowing it to reduce some 12-month maintenance positions to nine-month positions.	Annual savings of \$200,000 due to work-order system; \$300,000 annually from consolidation

DISTRICT	COUNTY	ENROLLMENT (2008-2009)	SMART PRACTICE	ESTIMATED SAVINGS
LAMAR	Fort Bend	22,867	Contracts with the Region 4 Education Service Center to manage its Maintenance and Operations Department. Region 4 has created a preventative maintenance team, modified workflows to absorb additional square footage without adding personnel, reduced the energy budget and provided employee training at no additional cost.	\$1,600,000
MESQUITE	Dallas	36,910	Placed recycling bins in all 1,300 classrooms as well as administrative buildings and athletic stadiums, allowing the district to eliminate half of its waste pickups.	Saved \$57,000 in disposal costs in 2009 and \$85,000 in 2010; district expects savings to reach \$100,000 in 2011
MISSION	Hidalgo	15,439	Uses an outside contract for monthly HVAC filter changes; uses a computerized work-order system to track maintenance projects.	No savings estimate, but annual spending on maintenance is \$288,000 less than the average of similar districts
PETTUS	Bee	391	Increased efficiency of its maintenance function by reducing the number of central staff positions and hiring (or training) maintenance staff to work on HVAC, electrical and plumbing systems.	\$10,000 annually
RICHARDSON	Dallas	34,320	Adapted work crew schedules to optimize work flow, allowing fewer staff to serve more facilities. Issues hand-held devices to maintenance staff that link directly to a central system that prioritizes and tracks work orders, eliminating the need for large inventories of replacement parts because the system can generate and fill purchase orders quickly.	\$500,000 annually
SAM RAYBURN	Fannin	424	The district's metal fabrication shop produces fixtures and equipment such security fences, saving money that otherwise would be spent on external contractors.	Shop recently built a security fence that saved district an estimated \$10,000
SPRING BRANCH	Harris	32,326	Saved money on repairs and replacement parts by standardizing fixtures and equipment such as lighting, ice machines, water fountains, laundry equipment, walkways and ramps. The district also has a preventive maintenance program that identifies cost-saving measures such as winterizing plumbing lines and identifying leaks in plumbing pipes.	No savings estimate, but annual spending on facilities maintenance is \$4.3 million less than the average for similar districts



#### SECO PROGRAMS FOR SCHOOL DISTRICTS

The Comptroller's State Energy Conservation Office (SECO) provides technical assistance, grant and loan programs that can benefit school districts. Through its Energy Efficiency Partnership program, SECO offers on-site technical assistance to public schools, hospitals, colleges and universities, including energy audits, recommendations for retrofits and other conservation projects, on-site

training for building operators and maintenance staff and assistance with energy policies. SECO's LoanSTAR revolving loan program, the largest of its type in the U.S., provides low-interest loans for energy-efficient retrofits to public buildings. Its school district energy efficiency grant program provides grants of up to \$35,000 for on-site renewable energy generation, advanced heating and

air-conditioning systems, electric utility metering technology, window film and other conservation projects. SECO estimates that their programs can result in a 20 percent energy savings for each facility that undergoes a retrofit.

*Source: Texas Comptroller of Public Accounts State Energy Conservation Office.*

## ENERGY AND WATER CONSERVATION

Utilities account for a large portion of school district operating costs. The costs of heating and cooling and lighting can be contained through technologies such as energy-efficient lighting, programmable thermostats, “virtual” servers and energy management software.

DISTRICT	COUNTY	ENROLLMENT (2008-2009)	SMART PRACTICE	ESTIMATED SAVINGS
ALIEF	Harris	45,130	Removed many old and inefficient lighting systems, replacing them with more energy-efficient units. Is installing new roofing systems that have better insulation and reflective surfaces. Earned one-time rebates through a program administered by the local electric provider to improve energy efficiency in schools. Uses contracts with energy aggregators for additional savings.	\$185,000 annually
AUBREY	Denton	1,688	Adopted a four-day work week during summer to reduce electricity spending. Closes schools on week-ends to reduce electricity consumption. Has reduced consumption by about 25 kilowatt hours per month.	\$2,500 annually
BLACKWELL	Coke	157	Installed a wind turbine to provide electricity.	\$3,000 per month on electricity costs
BOOKER	Lipscomb	388	Installed new HVAC equipment that uses programmable thermostats.	Expects 10 percent energy savings
CEDAR HILL	Dallas	8,079	Negotiated with utility to cut rate by 20 percent. Installed programmable thermostats and energy-efficient lighting in gyms.	Lower utility rate saves district \$400,000 annually; programmable thermostats save an estimated \$225,000 each year; energy-efficient gym lighting saves \$45,000 annually
CHANNING	Hartley	139	In 2000, district buildings were retrofitted with energy-efficient systems and connected to a central control panel.	No savings estimate, but annual spending on utilities is \$24,000 less than the average of similar districts
COPPELL	Dallas	9,915	Implemented districtwide energy management system; installed energy-efficient equipment and automatic light sensors. Installed energy-saving bulbs, ballasts and timers for the HVAC system, reducing annual electricity use by more than 10 percent.	\$200,000 annually
DALLAS	Dallas	157,174	Contracts with a utility billing auditor to review utility bills for errors and to recover any overcharges from electricity providers. HVAC systems set at 69-71 degrees in heating season and 75-78 degrees in cooling season; shuts these systems down one hour prior to the end of the school or work day. Has installed a geothermal heat pump system that uses less energy than a conventional HVAC system.	\$6.7 million annually
DENVER CITY	Yoakum	1,533	Replaced all 137 HVAC units with more energy-efficient equipment.	No savings estimate, but annual spending on utilities is \$84,000 less than the average of similar districts
DUMAS	Moore	4,265	HVAC is on a central control system. District pays a stipend to a staff member to act as energy manager, tracking the costs of utilities and sending out reminders to shut off equipment during school breaks.	\$200,000 annually



DISTRICT	COUNTY	ENROLLMENT (2008-2009)	SMART PRACTICE	ESTIMATED SAVINGS
EL PASO	El Paso	62,071	Has remote power management on 1,100 workstations, automatically shutting them down at night and on weekends. Laptops default to sleep mode after 30 minutes of inactivity. Uses 18 “virtual” servers, which allow the consolidation of multiple servers on one machine and reduce electricity consumption.	Remote power management saves more than \$51,000 annually; laptop sleep mode saves \$28,000 annually; virtual servers save \$17,000 annually
ERA	Cooke	444	Uses basic steps such as turning off lights and air conditioners and replacing outdated lighting with more efficient units. Under the state’s Optional Flexible Year Program, students can be dismissed from school 10 days before the end of the actual school year if they pass their classes and state tests, allowing the district to close some classrooms and other facilities a few days early each year.	\$4,000
FRENSHIP	Lubbock	6,999	Energy management system monitors electric use in all district buildings, allowing district to track energy consumption trends and adjust usage when necessary.	No savings estimate, but annual spending on utilities is \$1.4 million less than the average similar districts.
FRIENDSWOOD	Galveston	5,967	In 2005, began upgrading air conditioning and heating systems as well as lighting, plumbing and kitchens in schools with outdated infrastructure.	\$150,000 annually
FRISCO	Collin	30,584	Some schools use geothermal ground-source heat pumps in lieu of conventional HVAC systems. District uses an energy recovery ventilation system to reduce the amount of energy needed to heat or cool incoming air. District uses laminated roofing materials to reduce heat conducted into buildings and has installed motion sensors to turn off lights in unoccupied rooms. A centralized irrigation control system monitors water use.	In 2009, spent about \$770,000 less on electricity and natural gas at schools with geothermal ground-source heat pumps than it would have had conventional HVAC systems been installed in those buildings
JIM HOGG	Jim Hogg	1,127	All campuses connected to a centralized HVAC system that operates at predetermined times.	\$180,000 annually
KELLER	Tarrant	30,173	Has implemented a four-day work week and a “dark week” during summer to reduce utility expenditures.	\$744,000 annually
KLONDIKE	Dawson	195	Has installed energy-efficient lighting and HVAC units are timer-controlled.	No savings estimate, but annual spending on utilities is \$22,000 less than the average of similar districts
MESQUITE	Dallas	36,910	A centrally controlled energy management system for HVAC is in use in 42 of 47 schools. Programmable networked thermostats installed in all portable classrooms. All lighting equipped with efficient fluorescent bulbs. Electric booster water heaters have been replaced with natural gas units.	\$688,000 annually for the energy management system; \$141,000 a year from water heater replacements; plus \$369,000 in incentive reimbursements from the local energy provider.
MISSION	Hidalgo	15,439	Has installed window screens and energy-efficient lighting; joined Region One electric purchasing consortium; and registered with utility to receive rebates for efficiency upgrades.	\$21,000 annually plus \$30,000 in rebates

DISTRICT	COUNTY	ENROLLMENT (2008-2009)	SMART PRACTICE	ESTIMATED SAVINGS
<b>NORTHSIDE</b>	Bexar	88,201	Energy management control system controls all lighting, heating and air-conditioning. Computers and monitors configured to turn off automatically after a period of inactivity. Restrooms retrofitted with low-flow toilets.	\$2.9 million annually
<b>OLTON</b>	Lamb	722	Installed computer-controlled thermostats in all schools capable of turning electricity off at preprogrammed times.	No savings estimate, but annual spending on utilities is \$28,000 less than the average for similar districts
<b>PALACIOS</b>	Matagorda	1,526	Member of an electrical co-op, Energy for Schools Pool 19.	No savings estimate, but annual spending on utilities is \$328,000 less than average of similar districts.
<b>PETTUS</b>	Bee	391	In 2007, district conducted a thorough energy efficiency upgrade of lighting and HVAC systems; removed window air conditioners and glass walls to seal and insulate them.	No savings estimate, but annual spending on utilities is \$107,000 less than the average of similar districts
<b>POST</b>	Garza	852	Has installed an energy management system for HVAC; all new units controlled from a central location.	No savings estimate, but annual spending on utilities is \$71,000 less than the average of similar districts
<b>RICHARDSON</b>	Dallas	34,320	Has upgraded all district facilities with energy-efficient windows, roofs, lighting, appliances and HVAC systems. Installed a central HVAC control system and separated its HVAC systems into zones to better control ambient air temperatures. The district also fuels its vehicles with propane instead of gasoline for a 30 percent savings, and buys propane direct and in bulk.	\$2.9 million annually
<b>SAM RAYBURN</b>	Fannin	424	Built its own water well to reduce the cost of watering its football fields.	\$6,000 annually
<b>SANDS</b>	Dawson	220	A member of Energy for Schools, an electric utility aggregator that negotiates retail electricity purchases by estimating the district's annual electricity usage and finding providers in the competitive electricity market.	\$8,500 annually
<b>SHAMROCK</b>	Wheeler	335	Replaced all lighting systems with energy-efficient lights and is replacing HVAC equipment in its buildings. Replaced inefficient ovens in cafeterias and added energy-saving convection ovens	No savings estimate, but annual spending on utilities is \$36,000 less than the average of similar districts
<b>SPRING BRANCH</b>	Harris	32,326	Negotiates with energy companies to obtain reduced prices for its energy needs. Recently entered into a contract negotiated before the expiration of the previous one to earn an early-signing discount. The district's energy manager implements efficiency and conservation strategies to lower energy consumption.	\$2 million annually

## SOURCES: SMART PRACTICES DISTRICT ASSESSMENTS

*Note: Enrollment and district data provided by the Texas Education Agency Academic Excellence Indicator System.*

## INSTRUCTION AND STAFFING

## CLASS SIZE

AUBREY

Savings estimates provided by Aubrey ISD.

JIM HOGG

Savings estimates provided by Jim Hogg ISD.

## ONLINE EDUCATION AND DISTANCE LEARNING

CANADIAN

Savings estimates provided by Canadian ISD.

COPPELL

Savings estimates provided by Coppel ISD.

EL PASO

Savings estimates provided by El Paso ISD.

FRENSHIP

Savings estimates provided by Frenship ISD.

GARLAND

Savings estimates provided by Garland ISD.

MOULTON

Savings estimates provided by Moulton ISD.

## ACADEMIC AND ADMINISTRATIVE SOLUTIONS

ALPINE

Savings estimates provided by Alpine ISD.

BOOKER

Savings estimates provided by Booker ISD.

BOVINA

Savings estimates provided by Bovina ISD.

CLEAR CREEK

Savings estimates provided by Clear Creek ISD.

CONROE

Information provided by Conroe ISD. No savings estimates.

PILOT POINT

Savings estimates provided by Pilot Point ISD.

## STAFF ALLOCATION

ALIEF

Savings estimates provided by Alief ISD.

CEDAR HILL

Savings estimates provided by Cedar Hill ISD.

DALLAS

Savings estimates provided by Dallas ISD.

EL PASO

Savings estimates provided by El Paso ISD.

FORT DAVIS

Savings estimates provided by Fort Davis ISD.

KLONDIKE

Comptroller estimates of Klondike ISD's spending on support staff relative to fiscal peers. No savings estimated.

POTH

Savings estimates provided by Poth ISD.

RICHARDSON

Savings estimates provided by Richardson ISD.

ROUND ROCK

Comptroller estimates of Round Rock ISD's spending on support staff relative to fiscal peers. No savings estimated.

SILSBEE

Savings estimates provided by Silsbee ISD.

## EMPLOYEE BENEFITS

EL PASO

Savings estimates provided by El Paso ISD.

PHARR-SAN JUAN-ALAMO

Information provided by Pharr-San Juan-Alamo ISD. No savings estimated.

## FINANCIAL MANAGEMENT AND TECHNOLOGY SOLUTIONS

## FINANCIAL MANAGEMENT

CYPRESS-FAIRBANKS

Savings estimates provided by Cypress-Fairbanks ISD.

KATY

Savings estimates provided by Katy ISD.

NORTHSIDE

Savings estimates provided by Northside ISD.

ROUND ROCK

Savings estimates provided by Round Rock ISD.

SPRING BRANCH

Savings estimates provided by Spring Branch ISD.

## TECHNOLOGICAL UPGRADES

CEDAR HILL

Savings estimates provided by Cedar Hill ISD.

NORTHSIDE

Savings estimates provided by Northside ISD.

SPRING BRANCH

Savings estimates provided by Spring Branch ISD.

VERIBEST

Savings estimates provided by Veribest ISD.

## PURCHASING AND STUDENT SERVICES

### PURCHASING

#### ALIEF

Savings estimates provided by Alief ISD.

#### ARANSAS COUNTY

Savings estimates provided by Aransas County ISD.

#### CEDAR HILL

Savings estimates provided by Cedar Hill ISD.

#### COPPELL

Savings estimates provided by Coppell ISD.

#### DALLAS

Savings estimates provided by Dallas ISD.

#### EL PASO

Savings estimates provided by El Paso ISD.

#### KINGSVILLE

Savings estimates provided by Region 2 Education Service Center.

#### KIPP HOUSTON

Savings estimates provided by KIPP Houston.

#### MCALLEN

Savings estimates provided by McAllen ISD.

#### MISSION

Savings estimates provided by Mission CISD.

#### MUMFORD

Savings estimates provided by Mumford ISD.

#### NAZARETH

Savings estimates provided by Nazareth ISD.

#### ROUND ROCK

Savings estimates provided by Round Rock ISD.

#### SILVERTON

Savings estimates provided by Silverton ISD.

#### SPRING BRANCH

Savings estimates provided by Spring Branch ISD.

### SHARED SERVICES AND CONTRACTING

#### ALPINE

Information provided by Alpine ISD. No savings estimate.

#### CHANNING

Savings estimates provided by Channing ISD.

#### DARROUZETT

Savings estimates provided by Darrouzett ISD.

#### EL PASO

Savings estimates provided by El Paso ISD.

#### FRIENDSWOOD

Savings estimates provided by Friendswood ISD.

#### GUSTINE

Savings estimates provided by Gustine ISD.

#### KENEDY COUNTY-WIDE

Savings estimates provided by Kenedy County-Wide ISD.

#### LOOP

Information provided by Loop ISD. No savings estimate.

#### MEADOW

Savings estimates provided by Meadow ISD.

#### NAZARETH

Savings based on Comptroller estimates using data provided by Nazareth ISD.

#### NUECES CANYON

Savings estimates provided by Nueces Canyon CISD.

#### OLTON

Savings estimates provided by Olton ISD.

#### RICHARD MILBURN ACADEMY

Savings estimates provided by Richard Milburn Academy.

#### RICHARDSON

Savings estimates provided by Richardson ISD.

#### ROUND ROCK

Savings estimates provided by Round Rock ISD.

#### SANDS

Savings based on Comptroller estimates using data provided by Sands ISD.

#### SPRING BRANCH

Savings estimates provided by Spring Branch ISD.

#### WALL

Savings estimates provided by Wall ISD.

### TRANSPORTATION

#### ALIEF

Savings estimates provided by Alief ISD.

#### AMARILLO

Savings estimates provided by Amarillo ISD.

#### AUBREY

Savings estimates provided by Aubrey ISD.

#### CEDAR HILL

Savings estimates provided by Cedar Hill ISD.

#### COPPELL

Savings estimates provided by Coppell ISD.

#### CORPUS CHRISTI

District estimates of Corpus Christi ISD's spending on transportation relative to fiscal peers. No savings estimated.

#### DALLAS

Savings estimates provided by Dallas ISD.

#### EL PASO

Savings estimates provided by El Paso ISD.

#### IDALOU

District estimates of Idalou ISD's spending on transportation relative to fiscal peers. No savings estimated.

#### PHARR-SAN JUAN-ALAMO

Comptroller estimates of Pharr-San Juan Alamo ISD's spending on transportation relative to fiscal peers. No savings estimated.

RED LICK

Comptroller estimates of Red Lick ISD's spending on transportation relative to fiscal peers. No savings estimated.

RICHARDSON

Comptroller estimates of Richardson ISD's spending on transportation relative to fiscal peers. No savings estimated.

ROUND ROCK

District estimates of Round Rock ISD's spending on transportation relative to fiscal peers. No savings estimated.

SAN ANGELO

Savings estimates provided by San Angelo ISD.

**FOOD SERVICES**ALIEF

Savings estimates provided by Alief ISD.

AGUE DULCE

Savings estimates provided by Agua Dulce ISD.

ALPINE

Comptroller estimates of Alpine ISD's spending on food services relative to fiscal peers. No savings estimated.

BROWNFIELD

Savings estimates provided by Brownfield ISD.

CHANNING

Comptroller estimates of Channing ISD's spending on food services relative to fiscal peers. No savings estimated.

COPPELL

Savings estimates provided by Coppel ISD.

GLADEWATER

Savings based on Comptroller estimates using data provided by Gladewater ISD.

RICHARDSON

Savings estimates provided by Richardson ISD.

RIO GRANDE CITY

Savings estimates provided by Rio Grande City CISD.

ROUND ROCK

Savings estimates provided by Round Rock ISD.

SABINE

Savings based on Comptroller estimates using data provided by Sabine ISD.

SHAMROCK

Savings based on Comptroller estimates using data provided by Shamrock ISD.

SOCORRO

Savings estimates provided by Socorro ISD.

SPRING BRANCH

Comptroller estimates of Spring Branch ISD's spending on food services relative to fiscal peers. No savings estimated.

**FACILITIES****BUILDING DESIGN**ALIEF

Savings estimates provided by Alief ISD.

BEAUMONT

Savings estimates based on Comptroller calculations using statewide data.

CYPRESS-FAIRBANKS

Savings estimates based on Comptroller calculations using statewide data.

EL PASO

Savings estimates provided by El Paso ISD.

KELTON

Savings estimates provided by Region 16 Education Service Center.

LUBBOCK-COOPER

Savings estimates provided by Lubbock-Cooper ISD.

MCKINNEY

Savings estimates based on Comptroller calculations using statewide data.

MISSION

Savings estimates provided by Mission Consolidated ISD

ROUND ROCK

Savings estimates provided by Round Rock ISD.

**FACILITIES AND CONSTRUCTION**BEAUMONT

Savings estimates provided by Beaumont ISD.

COPPELL

Savings estimates provided by Coppel ISD.

POTH

Savings estimates provided by Poth ISD.

SAN ANGELO

Savings estimates provided by San Angelo ISD.

SPRING BRANCH

Savings estimates provided by Spring Branch ISD.

**SHARED FACILITIES**ALPINE

Savings estimates provided by Alpine ISD.

CEDAR HILL

Savings estimates provided by Cedar Hill ISD.

EL PASO

Comptroller estimates of El Paso ISD's spending on facilities maintenance relative to fiscal peers. No savings estimated.

POST

Comptroller estimates of Post ISD's spending on facilities maintenance relative to fiscal peers. No savings estimated.

**MAINTENANCE**CEDAR HILL

Savings estimates provided by Cedar Hill ISD.

COPPELL

Savings estimates provided by Coppel ISD.



EL PASO

Comptroller estimates of El Paso ISD's spending on facilities maintenance relative to fiscal peers. No savings estimated.

LAMAR

Savings estimates provided by Lamar CISD.

MESQUITE

Savings estimates provided by Mesquite ISD.

MISSION

Savings estimates provided by Mesquite ISD.

PETTUS

Savings estimates provided by Pettus ISD.

RICHARDSON

Savings estimates provided by Richardson ISD.

SAM RAYBURN

Savings estimates provided by Sam Rayburn ISD.

SPRING BRANCH

Comptroller estimates of El Paso ISD's spending on facilities maintenance relative to fiscal peers. No savings estimated.

**ENERGY AND WATER CONSERVATION**ALIEF

Savings estimates provided by Alief ISD.

AUBREY

Savings based on Comptroller estimates using data provided by Aubrey ISD.

BLACKWELL

Savings estimates provided by Blackwell CISD.

BOOKER

Savings estimates provided by Booker ISD.

CEDAR HILL

Savings estimates provided by Cedar Hill ISD.

CHANNING

Savings estimates provided by Channing ISD.

COPPELL

Savings estimates provided by Coppel ISD.

DALLAS

Savings estimates provided by Dallas ISD.

DENVER CITY

Comptroller estimates of Denver City ISD's spending on utilities relative to fiscal peers. No savings estimated.

DUMAS

Savings based on Comptroller estimates using data provided by Dumas ISD.

EL PASO

Savings estimates provided by El Paso ISD.

ERA

Savings estimates provided by Era ISD.

FRENSHIP

Comptroller estimates of Frenship ISD's spending on utilities relative to fiscal peers. No savings estimated.

FRIENDSWOOD

Savings estimates provided by Friendswood ISD.

FRISCO

Savings estimates provided by Frisco ISD.

JIM HOGG

Savings estimates provided by Jim Hogg ISD.

KELLER

Savings estimates provided by Keller ISD.

KLONDIKE

Comptroller estimates of Klondike ISD's spending on utilities relative to fiscal peers. No savings estimated.

MESQUITE

Savings estimates provided by Mesquite ISD.

MISSION

Savings estimates provided by Mission CISD.

NORTHSIDE

Savings estimates provided by Northside ISD.

OLTON

Comptroller estimates of Olton ISD's spending on utilities relative to fiscal peers. No savings estimated.

PALACIOS

Comptroller estimates of Palacios ISD's spending on utilities relative to fiscal peers. No savings estimated.

PETTUS

Comptroller estimates of Pettus ISD's spending on utilities relative to fiscal peers. No savings estimated.

POST

Comptroller estimates of Post ISD's spending on utilities relative to fiscal peers. No savings estimated.

RICHARDSON

Savings estimates provided by Richardson ISD.

SAM RAYBURN

Savings estimates provided by Sam Rayburn ISD.

SANDS

Savings estimates provided by Sands SCISD.

SHAMROCK

Comptroller estimates of Shamrock ISD's spending on utilities relative to fiscal peers. No savings estimated.

SPRING BRANCH

Savings estimates provided by Spring Branch ISD.

**T**his is Part 3 of 4 in the Financial Allocation Study for Texas (FAST) report. The complete version is available online at [www.FASTexas.org](http://www.FASTexas.org).

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Publication #96-1450 • Printed December 2010