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# Rider 34 Report

Cost Savings Experienced by School Districts and  
Charter Schools

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## Executive Summary

The Texas System of Education Service Centers is comprised of 20 regional centers located throughout the state. The mission of each ESC is to improve student achievement in Texas by developing high quality services that enable Local Education Agencies (LEAs) to operate more efficiently and economically, and to support educators as they prepare the future workforce of Texas. Beyond these duties ESCs serve as the main communication channel for the legislature, state agencies and others to communicate with all 1,207 LEAs in the state. This includes emergency communication and resource coordination in the event of a natural disaster and crisis.

Rider 34 requires Education Service Centers (ESCs) to report information regarding expenditures from the prior audited fiscal year. This includes cost savings for products/services provided, a cost comparison to similar products/services from alternate providers, number of full-time equivalent (FTE) positions and total salaries, including the method of finance.

The 82<sup>nd</sup>, 83<sup>rd</sup>, and 84<sup>th</sup> Legislatures allocated \$25 million for each biennium, or \$12.5 million per year, to ESCs to support LEAs in core services, as defined by the Texas Education Code. The 85<sup>th</sup> Legislature, in 2017, allocated \$23,750,000 for the biennium, or \$11,875,000 per year. This report examines the 2016 – 2017 audited fiscal year and demonstrates **the \$12.5 million investment produced an estimated cost savings of over \$122 million to LEAs for core services.** These savings are a direct result of the products/services provided by ESCs to LEAs across Texas.

The total amount of savings provided to LEAs as a result of Business and Technology-Related Products/Services, Core Services, and State Initiatives was compared overall and on a per student weighted average daily attendance (WADA). **For the 2016 – 2017 school year, the ESCs as a whole, saved Texas LEAs just over \$400 million when all four categories were combined. On average, that equates to LEAs saving roughly \$74.72 per student statewide.**

A case study of 100 LEAs, five from each ESC region, demonstrates a cost comparison of similar products/services provided by alternative providers. This case study focused on four main areas of services: professional development, ESC products, direct services, and technical assistance. **ESCs provided a savings of approximately \$78.3 million for products/services compared to other available service options for the surveyed LEAs.**

During the 2016–2017 school year, the **ESCs partnered with over 8,500 businesses for contracts worth over \$960 million. These collaborations produced an estimated \$121 million in cost savings for Texas LEAs.**

Finally, this report provides the number of ESC FTEs, their total salaries, and the source(s) of funding associated with products/services provided. In the fifth iteration of reporting this information, ESCs continue to demonstrate the ability to reduce costs for LEAs while providing valued products/services to administrators, teachers, parents, and most importantly, Texas students.

## Methodology

The primary objective of this report is to present the cost savings that LEAs achieve by utilizing ESC products/services for the audited fiscal year 2016 - 2017. Rider 34 addresses only the cost savings and staffing costs of ESC products/services. Information relating to the perceived “quality” of ESC products/services is not addressed by Rider 34 or collected from the LEAs.

The report is based upon an analysis of the current costs of ESC products/services and comparing those costs to alternative providers, the cost if a LEA chose to implement the service internally, and considers the travel cost if school personnel had to attend a training in person, instead of taking advantage of many distance learning opportunities offered by an ESC. In some cases, it is difficult to calculate the exact cost savings since many LEAs communicated that without the ESC providing the service, it would not be cost effective for the LEA to either develop the service internally, or to use a different provider. Cost savings can also be difficult to extrapolate as many services are priced per participant and not as a general cost. If the ESC provided information that was per participant savings, and not a total number for the region, it is not included in the total amounts represented in the report. All cost savings or information regarding the provision of products/services is reflective of the 2016 - 2017 school year, unless otherwise noted.

Additionally, in the final section of this report, 100 case studies<sup>1</sup> completed by LEAs explain the cost savings they experienced utilizing products/services obtained within the four categories outlined by ESCs.

Those four categories are:

- 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 84<sup>th</sup> legislative session, the ESCs developed a list of the major products offered to LEA clients. These products include application software, instructional materials, printing, and internet filtering.
- C. **Direct Services.** Direct services provided to LEAs vary significantly among the ESCs. These services include staffing in place of LEA staff (e.g., business managers, librarians, counselors, and nurses), technology services, legal services, auditing services, and other resources provided to LEAs 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). LEAs 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 LEAs (direct service), or on a short-term, ad hoc basis (technical assistance).

Each of the 20 ESCs used a stratified process to select five LEAs that accurately reflect their region as a whole. They considered LEA size, demographics, state accountability results, and the number of ESC products/services used by the LEAs to determine which LEAs to use in this sample. This case study technique was approved by the Texas Education Agency (TEA) in prior submissions of the report.

The ESCs provided the LEAs with the following information from the 2016-2017 school year:

- Total number of professional development hours provided to the LEA by ESC;
- Total number of LEA attendees;
- Total dollar amount paid to ESC by LEA for professional development;
- Total number of products purchased by LEA from ESC;
- Total dollar amount paid to ESC by LEA for products;
- Total number of direct services purchased by LEA from ESC;
- Total dollar amount paid to ESC by LEA for direct services;
- Total number of technical assistance hours provided to the LEA by ESC;

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<sup>1</sup> Each ESC had five case studies completed.

- Total number of contact hours provided to LEA from ESC; and
- Total dollar amount paid to ESC by LEA for technical assistance services.

Each LEA was asked to determine the cost the LEA would experience if they purchased from other providers for these products/services of the same quality or the cost they incurred if they decided to produce these products/services internally. Factors LEAs considered were the cost of additional staff, travel to workshops or training, product development, consultant fees, and other issues that the LEA deemed appropriate<sup>2</sup>. Each ESC also provided the number of full-time equivalent (FTE) staff, funding sources for various services provided, and total salaries for each ESC; as required by Rider 34.

To meet the reporting objectives of Rider 34, the following tasks were performed:

1. Collection of shared service arrangements (SSAs) and cooperative arrangements that either had contracts over \$100,000 or had at least 50% participation by LEAs within the region, with estimated cost savings;
2. Collection of technology-related services regarding distance learning, online professional development, low-cost computing technologies, and internet services, with estimated cost savings;
3. Collection of core services provided by ESCs, with estimated cost savings;
4. Collection of state initiatives and additional services provided by ESCs, with estimated cost savings;
5. ESCs selection of five LEAs that accurately reflect each ESC region;
6. Provided various information, including dollar amount spent with ESC, to each LEA, within the four categories;
7. LEAs conducted analysis of the cost they would incur if they used another provider for the products and services purchased through an ESC or if they developed these programs internally;
8. LEAs submitted findings to ESCs;
9. ESCs provided total number of FTEs, salaries, and funding sources for services provided to LEA; and
10. Developed consolidated report.

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<sup>2</sup> The methodology used by each LEA, as well as any back-up data, is available by contacting the LEA or ESC.

## Constraints

Several limitations constrained the information collected and conclusions drawn. This is the fifth report in which ESCs have estimated and submitted cost savings information, and each time, the methodology has been adjusted to improve reporting and provide more accurate information. The ESCs determined that the method used during the first year of this report did not accurately reflect the cost savings that the Rider attempted to capture and implemented a new methodology in 2012, designed to more accurately reflect the cost savings LEAs experience by utilizing the products/services of the ESCs. In 2014, after consulting with TEA, additional information was added to provide greater clarity to the diverse products/services provided by the ESCs, specifically related to technology support. The methodology will continue to evolve, as future reports may determine that this technique be revised.

There are also many variables that must be considered when attempting to establish a price comparison between ESC products/services and those found on the open market. A LEA's location, student population, resources, and local policies will dictate what types of products/services are available for them to purchase. For example, since rural LEAs have a lower number of students and personnel, they would experience a greater cost to hire an outside vendor to provide professional development than a LEA located in a more urban area where there are more service providers. It is also possible that due to personnel reasons, a LEA may decide to perform a service internally and opt not to use an outside source, which can be calculated differently.

Since every LEA is different, it was not possible for LEAs to use the same parameters when performing a cost comparative analysis. It is also important to note that many LEAs indicated that without the products provided by the ESCs, they would not purchase alternatives from other vendors due to the fact that it is highly unlikely they would be able to acquire the same services, or the cost would be outside of what the school district would be able to afford.

Other limitations of this report include:

- The analysis was conducted by using a sample of all LEAs in the state. Therefore, not every LEA is included in this report.
- Language in the Rider required the amount of savings achieved by LEAs 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 LEA's students in average daily attendance are participating in special programs (special education, career and technology education, bilingual education, compensatory education, and gifted/talented education). A calculated amount 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.

## Conclusions

The analysis found that for each section, LEAs experienced significant cost savings by utilizing ESC products/services. Table 1 shows the estimated cost savings experienced by LEAs related to business services, technology services, core services, and state initiatives managed by the ESCs for the 2016 - 2017 school year.

**Table 1: Estimated Cost Savings Related to ESC Services  
2016 - 2017**

Section	Section Overview	Topics	Estimated Cost Savings
1	Business-Related	<ul style="list-style-type: none"> <li>➤ Shared Service Arrangements</li> <li>➤ Cooperative Arrangements</li> <li>➤ Partnerships with Local Businesses</li> </ul>	\$235,070,948.00
2	Technology-Related	<ul style="list-style-type: none"> <li>➤ Distance Learning</li> <li>➤ Online Professional Development</li> <li>➤ Low-Cost Computing Technologies</li> <li>➤ Internet Services</li> </ul>	\$14,689,804.00
3	Core Services (TEC 8.051(d))	<ul style="list-style-type: none"> <li>➤ Core Services listed in TEC, Section 8.051 (d) (1) – (6)</li> </ul>	\$122,979,936.00
4	State Initiatives (TEC 8.052 and 8.053)	<ul style="list-style-type: none"> <li>➤ State Initiatives</li> <li>➤ Additional Services</li> </ul>	\$30,769,662.00
<b>Total Estimated Cost Savings</b>			<b>\$403,510,350.00</b>

The majority of the surveyed LEAs also experienced savings in each of the four categories that products/services were assigned. Twenty-two LEAs reported savings of over \$1 million for the school year and these LEAs are of various sizes and locations throughout the state. Ten LEAs reported savings greater than \$1,000 per WADA and each of those LEAs have a WADA of less than 1,100 students.

Table 2 shows the total savings, average savings for LEAs surveyed, the average savings per WADA of the 100 surveyed LEAs, and the estimated total savings for all LEAs in the State. The 100 LEAs surveyed serve almost three quarters of a million Texas students.

**Table 2: Estimated Cost Savings Experienced by LEAs**

Total Savings for LEAs Surveyed	<b>\$78,300,347.60</b>
Total WADA of LEAs Surveyed	867,629.931
Average Savings per LEA	\$783,003.48
Average Savings per WADA per LEA	\$418.96

Table 3 provides a summary of the average savings the surveyed LEAs experienced in each of the four categories. It includes examples of services included in those categories and the percentage of the total savings those categories provide to LEAs. LEAs experienced the greatest amount of savings through professional development services.

The greatest amount of savings, for those who participated in the survey, averaged over \$333,000 out of \$333,320,325.63 total savings solely from professional development services. Professional development includes almost 447,000 hours of training for school board members, teachers, school administrators, mentors, and parents.

The second greatest amount of savings for surveyed LEAs were from ESC products. Such products are iTCCS, TxEIS (system used to collect PEIMS data), and internet services. Overall, ESC products, on average, saved surveyed LEAs almost \$200,000 per year.

**Table 3: Estimated Savings from LEA Case Studies**

<i>Products/ Services Provided</i>	<i>Total Savings</i>	<i>Percent of Total Savings</i>
<p><b><i>Professional Development</i></b>  <i>Examples of Services:</i></p> <ul style="list-style-type: none"> <li>• Board member training</li> <li>• Teacher aide training</li> <li>• Parent training</li> <li>• Mentor teacher training</li> <li>• Gifted and talented teacher training</li> </ul>	\$33,320,325.63	43%
<p><b><i>ESC Products</i></b>  <i>Examples of Products:</i></p> <ul style="list-style-type: none"> <li>• ERP systems (TxEIS)</li> <li>• ERP systems (iTCCS)</li> <li>• Interactive TV</li> <li>• Internet filtering</li> <li>• TEKS Resource System</li> <li>• Printing services</li> </ul>	\$18,857,598.45	24%
<p><b><i>Direct Services</i></b>  <i>Examples of Services</i></p> <ul style="list-style-type: none"> <li>• Business manager services</li> <li>• Hardware service and repair</li> <li>• Federal program director services</li> <li>• Counseling, library, and nursing services</li> <li>• Curriculum director services</li> </ul>	\$13,362,804.02	17%
<p><b><i>Technical Assistance</i></b>  <i>Examples of Services:</i></p> <ul style="list-style-type: none"> <li>• Low performing district support</li> <li>• Curriculum support</li> <li>• Classroom teacher support</li> <li>• Special education support</li> <li>• Network and infrastructure services</li> </ul>	\$12,759,619.50	16%

## Funding

Rider 34 directs the appropriation of \$12,500,000 in fiscal year 2016 and \$12,500,000 in fiscal year 2017 for the ESCs. All other state funds include grants/contracts, designated funds, and other non-appropriated dollars. Table 4 shows the amount of funds received by ESCs for the 2016 - 2017 school year, as reflected in the most recent completed annual financial audit. These amounts include federal grants, state grants/contracts, funds appropriated by Rider 34, and local revenue generated by products/services.

**Table 4: Funding Breakdown for ESCs for the 2016 - 2017 School Year (Audited)<sup>3</sup>**

ESC	Federal Grants	State Grants/Contracts	Legislative Appropriations	Local Revenue	Total
1	<b>\$22,826,741</b>	\$4,616,928	<u>\$252,374.32</u>	\$20,722,916	\$48,418,960
2	\$3,527,908	\$1,151,186	<u>\$502,496.00</u>	<b>\$8,336,610</b>	\$13,518,200
3	\$3,948,453	<b>\$4,062,680</b>	<u>\$668,956.99</u>	\$3,627,158	\$12,307,248
4	\$12,150,021	\$7,436,118	<u>\$423,510.91</u>	<b>\$14,002,217</b>	\$33,850,045
5	\$4,401,283	\$1,391,974	<u>\$349,517.00</u>	<b>\$5,930,055</b>	\$12,072,829
6	<b>\$6,248,494</b>	\$2,272,501	<u>\$499,474.26</u>	\$5,915,611	\$14,936,080
7	<b>\$18,889,686</b>	\$1,294,594	<u>\$659,573.77</u>	\$13,338,288	\$34,182,142
8	\$2,946,386	\$1,882,378	<u>\$548,212.48</u>	<b>\$4,555,230</b>	\$9,932,206
9	<b>\$7,377,806</b>	\$1,244,213	<u>\$845,265.07</u>	\$4,504,014	\$13,971,298
10	<b>\$46,745,297</b>	\$6,761,621	<u>\$487,610.99</u>	\$22,281,920	\$76,276,449
11	\$8,021,681	\$2,249,691	<u>\$436,565.86</u>	<b>\$17,149,341</b>	\$27,869,827
12	\$11,442,618	\$1,330,387	<u>\$634,194.47</u>	<b>\$13,326,581</b>	\$26,733,780
13	\$17,000,182	\$9,228,350	<u>\$430,540.41</u>	<b>\$25,478,678</b>	\$52,137,750
14	<b>\$13,066,489</b>	\$2,338,055	<u>\$744,571.45</u>	\$5,399,839	\$21,548,954
15	\$5,826,502	<u>\$709,159</u>	\$1,318,632.04	<b>\$7,009,933</b>	\$14,786,321
16	<b>\$23,084,737</b>	\$1,825,332	<u>\$1,032,870.09</u>	\$10,075,528	\$36,018,467
17	\$5,443,248	\$1,468,730	<u>\$865,969.72</u>	<b>\$8,643,101</b>	\$16,421,049
18	<b>\$12,212,607</b>	<u>\$611,793</u>	\$1,076,875.83	\$10,577,779	\$24,479,055
19	<b>\$42,267,857</b>	\$3,244,722	<u>\$246,791.84</u>	\$8,433,205	\$54,192,577
20	\$20,226,949	\$8,184,981	<u>\$475,996.50</u>	<b>\$32,860,611</b>	\$61,748,537
Totals for System	<b>\$287,654,945</b>	<b>\$63,305,393</b>	<b>\$12,500,000</b>	<b>\$242,168,615</b>	<b>\$605,401,774</b>
% of Total Budget	48%	10%	2%	40%	100%

Note: **Bold** indicates each ESC's highest source of revenue. *Italics and underline* is each ESC's lowest source of revenue. Additionally, State grants/contracts include flow through dollars.

<sup>3</sup> Annual ESC Data Collection, 2018.

## ***Role of Education Service Centers***

In accordance with statute, ESCs have actively delivered training and consulting assistance to LEAs, educators, and other individuals involved in the education process. ESCs provide professional development in all areas of the education spectrum, secure and/or develop products/services at reduced prices for LEAs, provide technical assistance in all facets of the education process, and perform other activities that meet the needs of LEAs.

ESCs also partner with private entities to assist LEAs in purchasing products/services. Combined, the twenty ESCs partner with over 8,500 businesses for contracts worth over \$960 million worth of products/services.<sup>4</sup> The ESCs utilize economies of scale to help LEAs acquire educational tools that would be too expensive to be otherwise purchased, saving money and improving efficiencies.

To ensure that training and consulting assistance is customized to individual LEA needs, ESCs continuously review LEA data and utilize customer feedback in order to ensure that services meet the needs of LEAs. This feedback includes annual evaluation instruments, evaluations of every workshop conducted, and feedback from advisory groups.

ESCs use general revenue distributed under Chapter 8 of the Texas Education Code for core services or for necessary operational expenses related to those services. While these funds are critical to the delivery of core services, it is important to note that LEAs provide local funds to supplement the cost of core services. The combination of legislative appropriations and local funds maximizes and enhances core services. ESCs provide services that allow LEAs to operate more effectively, efficiently, and economically.

ESCs are non-regulatory agencies and have no taxing authority. Any fund balances that are obtained by an ESC are accrued from local dollars only. Since ESCs do not tax or create bond debt, they must purchase significant capital outlay and maintain/renovate facilities on a pay-as-you-go basis. ESCs designate all funds in accordance with the Financial Accountability System Resource Guide (FASRG).

ESCs play a critical role in carrying out Texas' educational priorities as established by the Governor, the Legislature, and the Commissioner of Education. ESCs have also been an integral part of the statewide emergency response system. ESCs serve as decentralized agencies responsible for communicating with LEAs on behalf of TEA in statewide or regional emergencies by assisting TEA with coordination of transportation or other types of relief within the state or to the affected region.

ESCs are an essential educational partner for LEAs in the state of Texas. As vital partners, ESCs provide timely training and much needed technical assistance that impacts student success and other educational and operational programs. ESCs are able to maximize state funding to provide optimal products/services to LEAs.

## ***Cooperative Purchasing, Shared Service Arrangements (SSAs), and Business Partnerships***

LEAs utilize ESCs to assist with economies of scale to maximize their purchasing power, create shared service agreements (SSAs), and promote partnerships with local business communities. Local businesses and communities are critical partners of ESCs, as they can work together to provide support and products/services to LEAs that can improve efficiencies and student performance. With almost 230 cooperatives and SSAs operating across Texas, ESCs saved LEAs just over \$235 million with an average of 66% of all LEAs participating.

## ***ESC Technology Services***

ESCs provide a number of technology services to LEAs that impact multiple areas of LEA functions. Some services are designed to improve the functionality of the LEAs and assist them with complying with state and federal regulations. Others have direct impact on students by providing access to dual credit courses, required courses for graduation, and thousands of electronic field trips

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<sup>4</sup> Biennial ESC Data Collection, 2018.

From 2016 to 2017, 22,363 students utilized ESC distance learning programs to complete dual credit courses or required high school curriculum courses. Additionally, 545,965 students (duplicates counted) went on 8,818 virtual field trips. These virtual field trips provide LEAs and students opportunities to access learning opportunities from their own classrooms, saving LEA resources while still increasing opportunities to students.

ESCs also provide a number of professional development opportunities to educators across the state. From 2016 to 2017, nearly 1,064,532 (duplicates counted) educators participated in professional development trainings via distance learning. The same system also provided 6,859 education professionals access to certification coursework.

Each of these services, along with low-cost computing technologies and additional internet services, provide significant cost savings to LEAs. Cost savings are realized through reductions in travel costs, additional personnel, and by receiving a more competitive rate when compared to other service providers. It is estimated that ESCs statewide have saved LEAs in excess of \$14.5 million over the past biennium through technology services. This number is derived by comparing services to other possible providers and by factoring in the travel cost of staff and students attending classes and professional development in person.

### ***Core Services***

Section 8.051 of the Texas Education Code outlines specific core services ESCs are required to maintain for purchase by LEAs. These services are funded by appropriations allocated by the Legislature within the General Appropriations Act, Rider 34. The 82<sup>nd</sup>, 83<sup>rd</sup>, and 84<sup>th</sup>-Legislatures allocated \$25 million for each biennium (\$12.5 million per year). The 85<sup>th</sup> Legislature allocated \$23,750,000 for the biennium (\$11,875,000 per year). These appropriations are divided and distributed by the Commissioner of Education to the 20 ESCs by formula as permitted by the Rider. While these funds assist ESCs in providing these services, most ESCs rely on additional revenue from LEAs to fully fund these services at a level that complies with the statute and provides the greatest benefit to LEAs.

The core services include:

- (1) Training and assistance in:
  - a. Teaching each subject area assessed under Section 39.023; and
  - b. Providing instruction in personal financial literacy as required under Section 28.0021;
- (2) Training and assistance in providing each program that qualifies for a funding allotment under Section 42.151, 42.152, 42.153, or 42.156;
- (3) Assistance specifically designed for a school district or campus assigned an unacceptable performance rating under Section 39.054;
- (4) Training and assistance to teachers, administrators, members of district boards of trustees, and members of site-based decision-making committees;
- (5) Assistance specifically designed for a school district that is considered out of compliance with state or federal special education requirements, based on the agency's most recent compliance review of the district's special education programs; and
- (6) Assistance in complying with state laws and rules.

**According to the estimated cost savings, the \$12.5 million investment produced over \$122 million in savings for LEAs in 2016 – 2017.**

### ***State Initiatives***

Either through legislative action or designation by TEA, ESCs are often charged with implementing a variety of state initiatives designed to address student performance, school accountability, assessed content areas, Texas literacy programs, the Texas Student Data System (TSDS), and many other state-wide projects. In most cases, funds appropriated by the Legislature or passed through the Agency are not sufficient to fully implement the assigned initiative; therefore ESCs have to rely on locally-generated funds through fees to support the initiatives.

For the 2016 - 2017 school year, ESCs offered \$33 million in programs designed to help LEAs implement state initiatives. **Approximately, \$29 million in state funds (includes legislative appropriations and state grants) were used to create a cost savings of almost \$31 million and reach 353,708 teachers and students across the state.**

## ***Case Studies of LEAs***

### *School Districts Compared to Charter Schools*

The case studies consisted of 95 traditional school districts and 5 charter schools. Traditional school districts averaged a greater savings per WADA when compared to charter schools, as well as a greater average total savings. Also, charter schools use different degrees of ESC products/services than traditional school districts.

**Table 5: Savings for Districts versus Charter Schools**

	<i>Districts</i>	<i>Charters</i>
<i>Average Savings</i>	\$782,899.31	\$411,834.13
<i>Average Savings Per WADA</i>	\$434.41	\$233.50

### *School Size and its Effect on Cost Savings*

For the purposes of this report, LEAs were broken into four size categories based upon number of students: Urban/suburban, Large, Mid-sized, and Small. There were differences in the savings and types of services that were utilized by larger LEAs compared to smaller LEAs. Urban/suburban LEAs averaged greater total savings when compared to smaller, more rural LEAs; however, small LEAs experienced a higher savings per WADA when compared to larger LEAs. (Tables 6-9 display the various cost savings experienced by different sized LEAs.)

Urban/suburban LEAs, those with more than 25,000 students, used fewer products/services, when compared to smaller LEAs. This is primarily due to their size and proximity to a greater number of alternative providers. **Urban/suburban LEAs had a combined savings of over \$32 million and on average saved \$3,248,089.63 per year and \$54.50 per WADA.** The urban/suburban LEAs who participated in the case study primarily utilized professional development and technical assistance services provided by ESCs that resulted in significant cost savings.

**Large LEAs, those with more than 5,000 but less than 25,000 students, had combined savings of over \$8.1 million. Large LEAs, on average, saved over \$482,031.08 per year and \$86.09 per WADA.** LEAs of this size benefited the most from utilizing professional development and direct services of the ESCs.

**Mid-sized LEAs, those with more than 1,600 but less than 5,000 students, had combined savings of almost \$15.5 million. Mid-sized LEAs, on average, saved \$498,654.47 per year and \$185.66 per WADA.** LEAs that are classified as mid-sized tend to utilize a broader range of ESC products/services when compared to larger or more urban LEAs. These LEAs tend to also be more rural than larger LEAs, making it less likely that they would be able to locate alternative providers for many of the products/services ~~that~~ they use.

Small LEAs, those with less than 1,600 students, made up the majority of the case study participants (i.e., 41% of participants). **Combined, the small LEAs had total savings of just over \$19.3 million. Small LEAs, on average, saved \$461,111.02 per year and \$810.92 per WADA.** Although average savings for small LEAs was the lowest of the four size categories, they experienced the highest average savings per WADA. Each of the traditional LEAs in this subgroup were rural LEAs, many of whom stated that without ESCs, they would not be able to locate an entity in their area who would be able to provide the same type and quality of products/services that they are currently experiencing by contracting with ESCs.

**Table 6: Urban/Suburban LEAs:  $\geq 25,000$  WADA**

Number of LEAs	10
Total Savings	\$32,480,896.25
Average Savings	\$3,248,089.63
Average Savings/WADA	\$54.50

**Table 7: Large LEAs:  $5,000 < > 25,000$**

Number of LEAs	17
Total Savings	\$8,194,528.38
Average Savings	\$482,031.08
Average Savings/WADA	\$86.09

**Table 8: Mid-sized LEAs:  $1,600 \leq \leq 5,000$**

Number of LEAs	31
Total Savings	\$15,458,288.42
Average Savings	\$498,654.47
Average Savings/WADA	\$185.66

**Table 9: Small Schools:  $< 1,600$**

Number of LEAs	42
Total Savings	\$19,366,662.65
Average Savings	\$461,111.02
Average Savings/WADA	\$810.92

Cost Savings Comparison to Other Providers

Rider 35 of the General Appropriations Act of the 84<sup>th</sup> Legislative Session included specific instructions for the Commissioner of Education to distribute \$12,500,000 in fiscal year 2016 and \$12,500,000 in fiscal year 2017 to ESCs. Utilizing these funds, state and federal grants, and locally generated revenue, it is estimated that ESCs saved surveyed LEAs just over \$780,000 a year through professional development, ESC products, direct services, and technical assistance provided by ESCs.

Table 10 displays the total cost LEAs incur with ESCs compared to receiving these services without ESCs. For each of the four categories, it was reported that the cost associated with either acquiring these products/services from other sources or from providing them internally, would cost significantly more.

**Table 10: Cost Savings Compared to Other Providers**

	Cost of Services With ESCs	Cost of Services Without ESCs
<b>Professional Development</b>	\$4,735,929.95	\$38,054,811.57
<b>ESC Products</b>	\$8,608,123.58	\$27,464,573.30
<b>Direct Services</b>	\$5,262,775.74	\$18,624,279.34
<b>Technical Assistance</b>	\$1,974,077.91	\$14,730,193.56
<b>Total</b>	\$20,580,907.18	\$98,873,857.77

## **Salaries and Full Time Equivalent (FTEs) of Each ESC**

Rider 34 directs each ESC to provide the number of FTE ESC positions, total salaries, and the method of financing associated with each product/service that an ESC has available for LEAs. ESCs provide a wide array of products/services and ESC staff is expected to assist in multiple areas to serve LEAs; making it difficult to accurately assign an exact number of FTEs to individual services; however, many programs are funded through local, state, or federal dollars that must be spent on specific products/services.

### ***FTEs and Salaries***

The majority of ESC employees are funded by federal and local sources of revenue. Table 11 shows the total number of FTEs and the total salaries for each ESC by their funding source. The majority of employees are funded through federal dollars, while local funding sources make up the majority of salary dollars. 5.58% of all ESC employees and 9.77% of all salaries are paid using state funds. State funds include appropriations from the General Appropriations Act Rider 34, state grants, and other agency dollars.

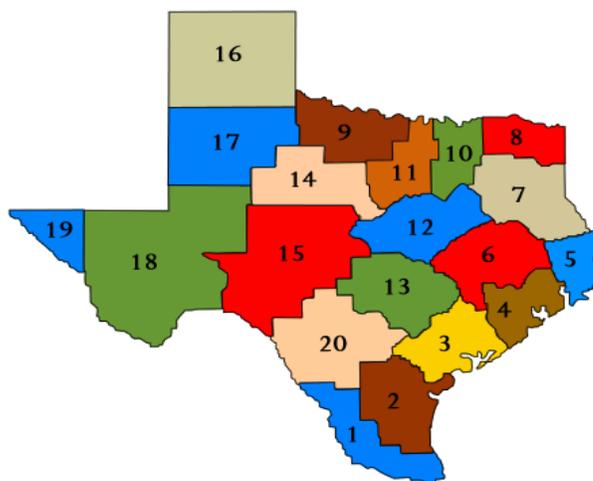
2016 - 2017	FEDERAL GRANTS		STATE GRANTS		LEGISLATIVE APPROPS.		LOCAL REVENUE		TOTAL	
ESC	FTE	Total Salaries	FTE	Total Salaries	FTE	Total Salaries	FTE	Total Salaries	FTE	Total Salaries
1	99.35	\$6,112,565	76.87	\$4,797,686	1.6500	\$216,166	100.1253	\$6,812,193	278.0000	\$17,938,610
2	25.37	\$1,841,406	10.10	\$503,561	5.3000	\$409,020	67.5000	\$4,606,092	108.2700	\$7,360,079
3	79.27	\$4,166,473	4.1500	\$189,208	4.0500	\$458,013	42.0300	\$1,873,167	129.5000	\$6,686,861
4	50.35	\$3,839,357	11.0800	\$852,298	4.3000	\$350,810	199.2700	\$13,592,937	265.0000	\$18,635,402
5	53.75	\$2,148,052	9.9000	\$812,570	1.6500	\$187,638	67.1000	\$3,178,096	132.4000	\$6,326,356
6	53.30	\$2,578,410	5.5000	\$424,083	0.0000	\$0	72.9000	\$3,251,162	131.7000	\$6,253,655
7	155.44	\$7,681,639	2.6600	\$136,842	6.9200	\$506,994	102.4800	\$6,787,870	267.5000	\$15,113,345
8	12.00	\$707,750	15.2000	\$849,415	2.8000	\$237,292	57.0000	\$3,305,282	87.0000	\$5,099,739
9	45.64	\$1,851,743	7.8600	\$324,163	9.4000	\$638,923	37.7100	\$2,268,278	100.6100	\$5,083,107
10	192.05	\$10,405,761	6.2000	\$418,683	4.6500	\$372,951	198.1700	\$13,707,237	401.0700	\$24,904,632
11	81.00	\$4,137,982	21.0000	\$1,105,486	4.0000	\$279,433	87.0000	\$5,156,376	193.0000	\$10,679,277
12	72.14	\$4,201,739	3.1200	\$188,043	7.2900	\$535,277	117.2500	\$6,938,643	199.8000	\$11,863,702
13	76.05	\$4,792,548	20.5000	\$1,365,648	3.7500	\$271,236	170.7000	\$10,880,352	271.0000	\$17,309,784
14	57.50	\$3,507,174	14.6600	\$740,546	4.5700	\$307,221	54.3800	\$3,155,551	131.1100	\$7,710,492
15	58.65	\$2,808,797	14.8700	\$656,396	13.9200	\$1,010,253	46.0700	\$2,094,541	133.5100	\$6,569,987
16	175.00	\$7,313,090	7.5000	\$407,539	12.5000	\$987,627	111.0000	\$6,350,187	306.0000	\$15,058,443
17	43.46	\$2,171,274	8.8300	\$396,607	9.0300	\$595,279	53.3000	\$3,216,181	114.6200	\$6,379,341
18	53.76	\$4,403,218	3.7500	\$213,169	9.8000	\$979,191	61.9400	\$4,954,644	129.2500	\$10,550,222
19	1019.63	\$24,812,965	19.8300	\$912,304	2.3000	\$151,440	89.2900	\$3,940,769	1131.0500	\$29,817,478
20	122.34	\$6,669,617	8.4400	\$561,511	4.2700	\$309,428	250.7000	\$15,952,951	385.7500	\$23,493,507
<b>Total</b>	<b>2526.0547</b>	<b>\$ 106,151,560</b>	<b>272.0200</b>	<b>\$ 15,855,758</b>	<b>112.1500</b>	<b>\$8,804,192</b>	<b>1985.9153</b>	<b>\$ 122,022,509</b>	<b>4896.1400</b>	<b>\$ 252,834,019</b>
<b>%</b>	<b>0.5159</b>	<b>41.98%</b>	<b>0.0556</b>	<b>6.27%</b>	<b>0.0229</b>	<b>3.48%</b>	<b>0.4056</b>	<b>48.26%</b>	<b>1.0000</b>	<b>100.00%</b>

## **Client Satisfaction**

Since 2005, ESCs have contracted with the Institute for Organizational Excellence at The University of Texas at Austin to conduct a survey that is sent to representatives of all LEAs in Texas. For the past ten years, the survey has been sent during the fall. The overall results continue to be very positive and illustrate a high level of satisfaction from LEAs.

All quantitative items on the combined overall reports received scores between a 4.67 and 4.85 on a 5-point Likert scale ranging from a 1 – “Very Dissatisfied” to a 5 – “Very Satisfied.” These scores are very similar to the scores from last year. The lowest scoring items were “Advanced Academics Education,” “Migrant Education,” and “Social Studies.” Overall, these items scored 4.67, 4.71 and 4.72, respectively. The highest scoring overall items were “Services and support for PEIMS,” “Services to assist LEAs in complying with federal and state regulations and guidelines (e.g. NCLB, AYP, PBM, Child Nutrition),” and “School Board Training Services.” The respective scores were 4.85, 4.83, and 4.78. These scores did increase over time, suggesting that any targeting improvement could be denoted in these higher scores. For most items, 90% of all respondents expressed that they were “Very Satisfied” or “Satisfied” with the various services assessed. This level of agreement held all standard deviations below the value of 0.57.

## Education Service Centers of Texas



Education Service Center	Executive Director	Address	Phone Number
<b>Region One – Edinburg</b>	Dr. Cornelio Gonzales	1900 West Schunior, Edinburg, TX 78751	(956) 984-6000
<b>Region Two – Corpus Christi</b>	Dr. Rick Alvarado	209 North Water, Corpus Christi, TX 78401	(361) 561-8400
<b>Region Three – Victoria</b>	Mrs. Charlotte Baker	1905 Learly Lane, Victoria, TX 77901	(361) 573-0731
<b>Region Four – Houston</b>	Dr. Pam Wells	7145 West Tidwell, Houston, TX 77092	(713) 462-7708
<b>Region Five – Beaumont</b>	Dr. Danny Lovett	2295 Delaware, Beaumont, TX 77703	(409) 838-5555
<b>Region Six – Huntsville</b>	Mr. Michael Holland	3332 Montgomery, Huntsville, TX 77340	(936) 435-8400
<b>Region Seven – Kilgore</b>	Mrs. Elizabeth Abernethy	1909 North Longview, Kilgore, TX 75662	(903) 988-6700
<b>Region Eight – Mt. Pleasant/Pittsburg</b>	Dr. David Fitts	4845 US Hwy 271 N, Pittsburg, TX, 75686	(903) 572-8551
<b>Region Nine – Wichita Falls</b>	Mr. Wes Pierce	301 Loop 11, Wichita Falls, TX 76306	(940) 322-6928
<b>Region Ten – Richardson</b>	Dr. Gordon Taylor	400 East Spring Valley, Richardson, TX 75081	(972) 348-1700
<b>Region Eleven – Fort Worth</b>	Dr. Clyde W. Steelman, Jr.	3001 North Freeway, Fort Worth, TX 76106	(817) 740-3600
<b>Region Twelve – Waco</b>	Dr. Jerry Maze	2101 West Loop 340, Waco, TX 76702	(254) 297-1212
<b>Region Thirteen – Austin</b>	Dr. Rich Elsasser	5701 Springdale, Austin, TX 78723	(512) 919-5313
<b>Region Fourteen – Abilene</b>	Mr. Shane Fields	1850 Highway 351, Abilene, TX 79601	(325) 675-8600
<b>Region Fifteen – San Angelo</b>	Dr. Casey Callahan	612 South Irene, San Angelo, TX 76903	(325) 658-6571
<b>Region Sixteen – Amarillo</b>	Mr. Ray Cogburn	5800 Bell, Amarillo, TX 79109	(806) 677-5000
<b>Region Seventeen – Lubbock</b>	Dr. Kyle Wargo	1111 West Loop 289, Lubbock, TX 79416	(806) 792-4000
<b>Region Eighteen – Midland</b>	Dr. DeWitt Smith	2811 LaForce, Midland, TX 79711	(432) 563-2380
<b>Region Nineteen – El Paso</b>	Dr. Armando Aguirre	6611 Boeing, El Paso, TX 79925	(915) 780-5052
<b>Region Twenty – San Antonio</b>	Dr. Jeff Goldhorn	1314 Hines Avenue, San Antonio, TX 78208	(210) 370-5200

## Appendix A: Cost Savings Experienced by Local Education Agencies

District	Charter or ISD	Region	WADA	Total Cost Savings	Total Cost Savings Per WADA
Abernathy	ISD	17	1,169.317	\$ 488,122.17	\$ 417.44
Atlanta	ISD	8	2,221.685	\$ 155,313.20	\$ 69.91
Ballinger	ISD	15	1,453.213	\$ 408,429.27	\$ 281.05
Bishop	ISD	2	1,962.365	\$ 44,988.33	\$ 22.93
Brady	ISD	15	1,838.920	\$ 295,821.88	\$ 160.87
Brenham	ISD	6	6,393.186	\$ 366,072.12	\$ 57.26
Bridge City	ISD	5	3,598.123	\$ 362,331.29	\$ 100.70
Buna	ISD	5	1,916.077	\$ 493,490.20	\$ 257.55
Calhoun County	ISD	3	5,095.715	\$ 120,051.64	\$ 23.56
Canutillo	ISD	19	7,784.218	\$ 726,892.00	\$ 93.38
Carlisle	ISD	7	971.188	\$ 424,510.56	\$ 437.10
Claude	ISD	16	599.365	\$ 400,272.00	\$ 667.83
Clyde	ISD	14	1,971.599	\$ 1,895,135.11	\$ 961.22
Corsicana	ISD	12	7,274.183	\$ 613,496.33	\$ 84.34
Dawson	ISD	17	261.245	\$ 549,577.32	\$ 2,103.69
Decatur	ISD	11	4,059.634	\$ 374,929.00	\$ 92.36
Detroit	ISD	8	831.498	\$ 222,661.70	\$ 267.78
Dumas	ISD	16	5,765.570	\$ 573,716.00	\$ 99.51
Ector County	ISD	18	37,206.917	\$ 4,410,144.89	\$ 118.53
Erath Excels Academy Inc.	Charter	11	193.768	\$ 159,650.00	\$ 823.92
Eula	ISD	14	649.534	\$ 1,521,342.13	\$ 2,342.21
Ezzell	ISD	3	150.441	\$ 7,397.01	\$ 49.17
Fabens	ISD	19	3,368.563	\$ 489,536.00	\$ 145.32
Forsan	ISD	18	1,030.706	\$ 119,622.61	\$ 116.06
Fort Elliot	ISD	16	282.090	\$ 117,071.00	\$ 415.01
Fort Worth	ISD	11	109,762.043	\$ 2,959,285.00	\$ 26.96
Freer	ISD	2	1,379.160	\$ 1,012,051.02	\$ 733.82
Fruitvale	ISD	7	641.389	\$ 344,953.84	\$ 537.82
Ganado	ISD	3	1,170.264	\$ 153,443.66	\$ 131.12
Gold Burg	ISD	9	245.713	\$ 738,012.00	\$ 3,003.55
Gorman	ISD	14	549.931	\$ 1,643,577.32	\$ 2,988.70
Grady	ISD	18	426.314	\$ 975,429.23	\$ 2,288.05
Granger	ISD	13	685.235	\$ (6,428.00)	\$ (9.38)
Greenwood	ISD	18	3,011.163	\$ 1,115,772.67	\$ 370.55
Gregory Portland	ISD	2	5,390.396	\$ 1,434,751.58	\$ 266.17
Hallettsville	ISD	3	1,663.724	\$ 108,974.63	\$ 65.50

District	Charter or ISD	Region	WADA	Total Cost Savings	Total Cost Savings Per WADA
Hardin-Jefferson	ISD	5	2,761.673	\$ 363,119.16	\$ 131.49
Harlingen	ISD	1	24,458.024	\$ 27,769.00	\$ 1.14
Harmony	Charter	4	6,265.736	\$ 150,542.53	\$ 24.03
Haskell	ISD	14	1,032.339	\$ 1,790,809.52	\$ 1,734.71
Hawley	ISD	14	1,078.356	\$ 2,059,315.12	\$ 1,909.68
Henderson	ISD	7	4377.756	\$ 1,402,723.08	\$ 320.42
Iowa Park	ISD	9	2,353.106	\$ 582,034.00	\$ 247.35
Jarrell	ISD	13	1,994.207	\$ 40,481.00	\$ 20.30
Johnson City	ISD	13	1,147.282	\$ 32,611.00	\$ 16.35
Jonesboro	ISD	12	436.775	\$ 106,466.00	\$ 243.75
Jubilee Academic	Charter	20	6,820.674	\$ 1,647,129.12	\$ 241.49
Killeen	ISD	12	51,849.163	\$ 1,530,868.72	\$ 29.53
La Vega	ISD	12	4,064.412	\$ 205,031.00	\$ 50.45
La Vernia	ISD	20	3,967.356	\$ 1,062,509.46	\$ 267.81
Lamar	ISD	4	37,075.816	\$ 1,079,166.14	\$ 29.11
Llano	ISD	13	2,432.089	\$ 21,558.00	\$ 8.86
Loop	ISD	17	235.019	\$ 521,503.91	\$ 2,218.99
Louise	ISD	3	744.746	\$ 20,421.00	\$ 27.42
Lyford	ISD	1	2,310.511	\$ 242,768.00	\$ 105.07
Madisonville	ISD	6	3,055.491	\$ 310,460.33	\$ 101.61
Marshall	ISD	7	6,582.447	\$ 2,020,272.10	\$ 306.92
Maypearl	ISD	10	1,516.960	\$ 126,282.00	\$ 83.25
Mercedes	ISD	1	7,308.855	\$ 98,915.00	\$ 13.53
Miami	ISD	16	346.276	\$ 138,174.68	\$ 399.03
Midlothian	ISD	10	9,736.822	\$ 418,353.00	\$ 42.97
Milano	ISD	6	667.533	\$ 128,778.32	\$ 192.92
Montgomery	ISD	6	9,386.759	\$ 1,452,949.04	\$ 154.79
Morgan Mill	ISD	11	178.243	\$ 169,599.00	\$ 951.50
Munday	ISD	9	622.826	\$ 669,766.00	\$ 1,075.37
Natalia	ISD	20	1,559.113	\$ 972,634.42	\$ 623.84
Needville	ISD	4	4,084.208	\$ 247,738.90	\$ 60.66
Nocona	ISD	9	1,177.026	\$ 646,188.00	\$ 549.00
North East	ISD	20	80,084.181	\$ 2,261,328.21	\$ 28.24
Palestine	ISD	7	4,461.662	\$ 1,190,231.20	\$ 266.77
Panhandle	ISD	16	1,114.319	\$ 80,453.00	\$ 72.20
Panther Creek	ISD	15	308.545	\$ 61,346.49	\$ 198.83
Paris	ISD	8	4,786.249	\$ 341,566.00	\$ 71.36

District	Charter or ISD	Region	WADA	Total Cost Savings	Total Cost Savings Per WADA
Pasadena	ISD	4	71,608.822	\$ 1,051,721.56	\$ 14.69
Paso del Norte Academy	Charter	19	354.267	\$ 19,810.00	\$ 55.92
Pflugerville	ISD	13	30,280.492	\$ 110,312.00	\$ 3.64
Plains	ISD	17	865.451	\$ 525,394.16	\$ 607.08
Presidio	ISD	18	2,061.231	\$ 988,311.30	\$ 479.48
Queen City	ISD	8	1,463.458	\$ 154,071.26	\$ 105.28
Richland Springs	ISD	15	282.024	\$ 180,756.38	\$ 640.93
Rockwall	ISD	10	18,248.816	\$ 503,465.00	\$ 27.59
Saint Jo	ISD	9	429.828	\$ 599,038.00	\$ 1,393.67
Saltillo	ISD	8	414.661	\$ 132,910.43	\$ 320.53
San Antonio	ISD	20	66,503.488	\$ 15,750,477.73	\$ 236.84
San Diego	ISD	2	2,028.543	\$ 931,461.00	\$ 459.18
Sheldon	ISD	4	11,055.729	\$ 397,435.86	\$ 35.95
Socorro	ISD	19	58,253.883	\$ 2,680,342.00	\$ 46.01
Strawn	ISD	11	289.085	\$ 204,826.00	\$ 708.53
Terrell	ISD	10	5,626.851	\$ 307,887.00	\$ 54.72
Tornillo	ISD	19	1,730.177	\$ 319,897.00	\$ 184.89
Trinity	ISD	6	1,753.835	\$ 300,551.89	\$ 171.37
United	ISD	1	56,287.895	\$ 647,250.00	\$ 11.50
Vidor	ISD	5	6,064.025	\$ 134,802.96	\$ 22.23
Wall	ISD	15	1,535.718	\$ 192,960.13	\$ 125.65
Warren	ISD	5	1,671.915	\$ 75,653.56	\$ 45.25
Waxahachie Faith Family Academy	Charter	10	3,701.267	\$ 82,039.00	\$ 22.17
West Oso	ISD	2	2,823.136	\$ 995,128.27	\$ 352.49
Whitney	ISD	12	1,974.226	\$ 178,990.96	\$ 90.66
Wilson	ISD	17	251.699	\$ 552,852.99	\$ 2,196.48
Zapata County	ISD	1	4,712.402	\$ 239,743.00	\$ 50.87

## **Appendix B: List of Products/Services Provided by ESCs**

The following is a list of products/services provided by various ESCs, however services do change to meet the needs and request of supporting LEAs:

504

5E Instructional Model  
Academic Achievement Record (AAR)  
Accelerated Curriculum  
Accessible Instructional Materials  
Accommodations in Instruction and Assessment  
Accountability  
Accountability Monitoring  
Accountability Turnaround Team  
Adapted PE  
Advanced Academics  
Advancing Educational Leadership  
Alternative Education Program  
Adapted Literature/Digital Books Library  
Adopted Materials (Textbooks)  
Adult Basic Education (GED and ESL)  
Admission, Review, and Dismissal (ARD)  
Administrative Services  
Advancing Educational Leadership (AEL)  
Advanced Academics  
Affordable Care Act (ACA) Training and Support  
Afterschool Centers on Education (ACE) Grant Cycles  
7 and 8  
Agency Partners  
Alternative Certification Programs  
Annual Measurable Achievement Objectives (AMAOs)  
AppleCare Warranty Support  
Application and Compliance Preparation  
Assessment Creation and Support  
Assessment/Progress Monitoring  
Assistive Technology / Lending Libraries  
Attendance Accountant Compliance Assessment  
At Risk /Dropout Prevention  
Attention Deficit Hyperactivity Disorder  
Support/Attention Deficit Disorder Support  
Authentic Learning and Assessment  
Background Checks  
Behavior

- Behavior Intervention Plans (BIPs)
- Classroom
- Discipline Management
- Incident Tracking and Reporting
- Restorative Discipline

Bilingual Education Monitoring  
Bilingual/ English As a Second Language  
Bridging the Leadership Team Institute  
Bright Bytes Clarification  
Bullying Prevention  
Bus Audits  
Bus Driver Training  
Business Managers Roundtable, Training and Support

Business Services

- Information Management
- TxEIS and iTCCS Support

Calendar and Required Minutes Training and Support  
Canvas- A Learning Management System  
Career and Technical Education Work Study Program  
Career Clusters  
Career Day  
Career / Technical Education  
Certified Orientation and Mobility Specialist Services  
CHAMPS  
Charter Schools  
Child Find Services  
Campus/District Improvement Team Training  
Coaching (Instructional, Leadership)  
College and Career Readiness  
College Preparation for English Language Arts and Mathematics  
Commissioner's Rule Review Process  
Communities in Schools (CIS)  
Community Resource Coordination Groups  
Compliance Services  
Content Filtering Services  
Cooperative Purchasing Networks  
Co-Teaching  
Counselor Support and Certification  
CPR/First Aid Training  
Credit by Exam (CBE)  
Crisis Prevention Intervention (CPI)  
Crisis Management  
Curriculum Leadership for Principals  
Curriculum Services  
Cycle Menus for Schools  
Data Backup Solution  
Data Digs  
Data Processing/Information Management  
Data Validation Monitoring  
Deaf Education Certification Program  
Dell Warranty Support  
Desktop Computer Support  
Diagnostician Support  
Differentiated Instruction (DI)  
Digital Media Production  
Disabilities Services-

- Attention Deficit Hyperactivity Disorders (ADD/ADHD)
- Auditory Impairments
- Autism Spectrum Disorders
- Deaf-blindness
- Dyslexia

- Emotional Disturbances/Behavior Disorders
- Intellectual Disabilities
- Learning Disabilities
- Other Health Impairments
- Orthopedic/Physical Impairments
- Speech/Language Disorders
- Traumatic Brain Injuries
- Visual Impairments

Disciplinary Alternative Education Program (DAEP)  
Discovery Education/Streaming  
Disproportionate Representation  
Data Management for Assessment Curriculum (DMAC) Solutions  
Domain Name System (DNS) Services  
Driver Education Classroom- Simulation and In-Car Instruction  
Driver Education 32 House License on Line (LOL)  
Driver Education Parent Taught Course “Ready, Set, Drive”  
Dropout Training and Supports  
Dual Credit Classes – Scheduling and Bridging Via Video Conference  
Dual Language Support  
Early Childhood Data System (ECDS)  
Early Childhood Education  
Early Childhood Intervention  
Early Childhood Transition  
Early Head Start  
Early Reading Instruments  
Ecoland Learning Center  
Educator Placement Service  
Eduhero  
Eduphoria  
Email Scanning Services  
English Language Arts Support  
ELPS Academics  
Email Hosting  
Employment Application Software and Support  
End of Course Success Support  
English Language Proficiency Standards (ELPS) Academies  
E-Rate Training  
East Texas Educational Diagnosticians’ Association (ETEDA)  
Evaluation for Special Education  
Every Student Succeeds Act (ESSA)  
Everyone S.H.A.R.E. the Road Program  
Facilitated Individualized Education Plan (IEP)  
Fine Arts  
Firewall Services  
Financial Accountability System Resource Guide (FASRG) Training and Support  
Financial Integrity Rating System (FIRST)  
Financial Review and Support

Focus Campus Grant Support  
Focus/Priority Schools Support  
Food Services

- Child and Adult Care Food Program (CACFP)
- Child Nutrition Services
- Commodity Processing
- Fresh Fruit and Vegetable Program
- Summer Food Programs

Functional Behavior Assessment (FBA)  
Gifted and Talented (G/T)  
Grade Point Average/Transcript Audits  
Grade Placement Committee (GPC)  
Grade Advancement (SSI)  
Graduation Requirements  
Grants Management  
Guidance/Counseling  
HB 5 Training and Support  
Head Start  
Help Desk Ticketing Services  
High Quality Prekindergarten Grant Program Training and Support  
High Reliability Schools  
High School Redesign and Restructuring  
Higher Education Support  
Highly Qualified Paraprofessional Recruitment  
Homebound Services  
Homeless  
Homeschool Support  
Human Resources Assistance  
Individualized Education Programs (IEP)  
Immigrant Support  
Information Management Software – Business  
Information Management Software – Student  
Information Technology (IT) Services  
IT Network Services  
Innovation Districts Support  
Instructional Materials Allotment (IMA)  
Instructional Rounds Training and Support  
Instructional Technology and Coordination  
Interactive Television (ITV) - Equipment Support/Troubleshooting  
ITV - Scheduling/Instruction  
Internet Access

- Broadband
- Equipment Support/Ordering/Troubleshooting
- Filtering
- Network Assessment Services
- Network Server Support
- Safety
- Server Hosting

Job Fairs  
Juvenile Justice Alternative Education Services

Kindergarten Readiness System (KRS)  
 Language Proficiency Assessment Committees (LPAC)  
 Decision-Making  
 Languages Other Than English  
 Leadership Development  
 LearnKey – Online training and Certifications  
 Least Restrictive Environment (LRE)  
 Legal Framework for the Child-Centered Special  
 Education Process  
 Lesson Study  
 Library/Librarian Support  
 Licensed Specialist in School Psychology (LSSP)  
 Support  
 Literacy Academies  
 Literacy Cohort  
 Local Area Network Support and Maintenance  
 Lynda.com – Online Training Manual  
 Maintenance Efficiency Study  
 Management Services  
 Manifestation Determination Review (MDR)  
 Mapping a Pathway to Student Success (MAPPs)  
 Math Academies  
 Math Coaching Academy  
 Meeting Rooms  
 Mentoring for Teachers and Administrators  
 Middle School Students in Texas: Algebra Ready  
 Migrant Education Information  
 Military Child Education Coalition  
 Mobile Application Services  
 Moodle  
 Multi-Cultural and Diverse Learners  
 Multi-Regional Library System (MrLibS)  
 National Center for Construction Education and  
 Research (NCCER) Certification Training  
 National School Lunch Program  
 Netstart/Website Software for School Districts  
 New Teacher Orientation and Training  
 NovaNet Consortium  
 Nutrition  
 Occupational Therapy  
 Occupational Therapy Technical Assistance and CEUs  
 Online Expert – Online Training and Coaching  
 Online Professional Development  
 Online Storage Services  
 On TRACK  
 Open Records Requests  
 Operations Support  
 Opportunity Culture  
 Orientation and Mobility (O&M) Support  
 Outreach Grant  
 P-16 Initiative  
 Paternity Awareness (PAPA)  
 Paraprofessional Training  
 Parent Complaints (Calls and Resolution)  
 Parent Involvement  
 Parent Training  
 Pathway for Emerging Leaders Academy  
 Performance-Based Monitoring Support (PBM)  
 Person Enrollment Tracking (PET) Training and  
 Support  
 Person Identification Database (PID) Training and  
 Support  
 Personal Financial Literacy Training  
 Personnel Services – including on demand personnel  
 Physical Fitness Assessment Initiative  
 Physical Therapy  
 Physical Therapy Technical Assistance and CEUs  
 Positive Behavioral Interventions & Supports (PBIS)  
 Poverty Training  
 Preschool Program for Children with Disabilities  
 (PPCD)  
 Pregnancy, Education, and Parenting (PEP)  
 Principal Certification Program  
 Principal Mentoring  
 Principal Tools for STAAR  
 Printing Services  
 Priority and Focus Schools Support  
 Private Schools  
 Project Share (see Texas Gateway)  
 Program Director Support (Curriculum,  
 Career/Technical, English Language, Special  
 Education, Title I)  
 Program Reviews  
 Progress in the General Curriculum (PGC)  
 Promotion/Retention Law (Student Assessment)  
 Public Education Grant (PEG)  
 Public Education Information Management System  
 (PEIMS)  
 PEIMS Edit Plus  
 Purchasing Cooperatives  
 Regional Day School Programs for the Deaf (RDSPD)  
 Reading Academies  
 Reading is Fundamental (RIF)  
 Reading Recovery  
 Recommendations for Serving on Educator  
 Committees  
 Regional Education Television Network (RETN)  
 Regional Emergency and Mass Communications  
 Related Services  
 Residential Facilities  
 Resources for Teaching (Creative Corner, Copy Center,  
 Print Shop)  
 Response to Intervention (RtI)  
 Retirement Asset Management System (RAMS)  
 REVEAL Data Warehouse Dropout Early Prevention  
 Reading Is Fundamental (RIF)  
 Router Maintenance  
 Rural Schools Support  
 Satellite Downlinks  
 Scholarship Resources  
 School Board Member Training  
 School Bus Driver Drug and Alcohol Testing

School Bus Driver Training – 20 hour Certification and 8 hour Recertification Training

School Bus Safety

School Bus Simulation Training

School Finance Support for School Districts

School Health Education

School Meal Initiative and Menus

School Reach

School Readiness Integration (SRI)

School Safety and Audits

Science

Scripting and Automation of Data Exchanges between Software Packages

Server Administration

Shared Services Arrangements (SSAs)

- Career and Technical Education (CTE)  
Carl Perkins
- Private Non-Profit
- Title I A
- Title I C Migrant
- Title II
- Title III Bilingual/ESL

Sheltered Instruction

Six Traits Writing

Skyward Software Training, Support and Accounting Services

Social Studies

Spanish Language Arts

Spam Filtering Services

Special Education Compliance

Special Education Funding

Special Education Monitoring

Speech and Language Pathology

Speech Language Pathologist Support

Spinal Screening Certification Training

State and Federal Statutes, Rules, Regulations, and Guidance

State Initiatives

State of Texas Assessments of Academic Readiness (STAAR)

STAAR Alternate 2

STAAR Online

STAAR One Item Bank

State Performance Plan (Special Education)

State Waivers Applications

Streaming Video

Student Attendance Accounting Handbook (SAAH) Training and Support

Student GPS Dashboards

Student Information Management Software

Student Learning Objectives

Strategic and Systemic Planning

Substitute Teacher Training

Suicide Prevention

Superintendent Academy

Superintendent Certification Program

Superintendent of the Year

Surrogate Parent Training Support

Survey Services

Teacher Appraisal

Teacher Certification

Teacher Effectiveness

Teacher of the Year

Teacher Recruitment

Technical Support Services

Technology Assessments

Technology Integration

Technology Planning

Testing – Federal and State

Texas 21 Career Investigation and Career Planning

Texas Academic Performance Reports (TAPR)

Texas Accountability Intervention System (TAIS) Training

Texas Adolescent Literacy Academies (TALA)

Texas Behavior Support Initiative (TBSI)

Texas Center for District and School Support (TCDSS)

Texas Computer Cooperative (TCC)

- CareerPortal
- Internet-based Texas Computer Cooperative Software (iTCCS)
- Texas Education Information System (TxEIS)

Texas Counselor Academy

Texas Education Agency Login (TEAL)/ Educator Certification Online System (ECOS) Account Support

Texas Education Data Standards (TEDS) Training and Support

Texas Education Telecommunications Network Access (TETN)

Texas English Language Proficiency Assessment System (TELPAS)

Texas Essential Knowledge and Skills (TEKS) Bank

TEKS Clarification

TEKS Professional Development in Core Content Areas

TEKS Resource System

Texas Examinations of Educator Standards (TExES) (Examination for certification of educators)

Texas Gateway

Texas High School Project

Texas Library Connection

Texas Literacy Initiative (TLI)

Texas Math Initiative

Texas Math and Science Diagnostic (TMSDS)

Texas Middle School Fluency Assessment (TMSFA)

Texas Primary Reading Inventory (TPRI)

Texas Principal Excellence Program (TxPEP)

Texas Principal Evaluation and Support System (TPESS)

Texas Records Exchange System (TREx)

Texas Regional Math Collaborative

Texas Regional Science Collaborative  
Texas School Ready Certification System  
Texas Science, Technology, Engineering and Math (T-STEM)  
Texas Student Data System (TSDS)  
Texas Success (online supports for Reading and Math)  
Texas Teacher Evaluation and Support System (T-TESS)  
Texas Virtual School Network (TxVSN)  
Texas Women's University Distance Venue (TETN)  
Master's Degree Program in Speech-Language Pathology  
TexQuest  
Textbook Viewing Room  
Time & Effort Software  
TimeClock Plus Software Training and Support  
Title I School Support  
Title III Support  
Texas Math and Science Diagnostic System (TMSDS)  
Traffic SAFETY Education Staff Training  
Transition Planning - High School  
Unlicensed Diabetic Care Assistance Training  
Unique ID Training and Support

Upward Bound Grants  
Video Conference Bridging  
Video Conference CD/DVD Recording and Distribution of Events  
Video Conference Scheduling and Bridging of Dual Credit Classes  
Video Conference Technical Support  
Vision Screening Certification Training  
Visually Impaired/Orientation and Mobility Services (VI/O&M)  
Visually Impaired Teacher Services  
Videoconference Fieldtrip Facilitation  
Videoconference Services and Support  
VISION Computing and Network Support Services  
Vision/Hearing/Scoliosis Screening  
Training/Certification  
Voice-Over IP Solutions  
Web Hosting  
Wireless Internet Consortium  
Write for Texas  
Writing Coaches and Support

## **Appendix C: Summary of Accountability and Oversight of ESCs**

- **Annual Independent Financial Audit**
  - Audits of all funds (federal, state, local) are conducted. All fund balances are included as part of the audit. TEA posts all ESC audits on its website, and audits are filed with the Federal Clearinghouse.
- **Biennial Legislative Report**
  - Rider 35 of the Appropriations Bill requires the Commissioner of Education to biennially submit an ESC cost comparison report to the Legislative Budget Board (LBB), Governor's office, and chairman of the House and Senate Education Committees.
- **Annual Regional Performance Hearing**
  - An ESC performance hearing is held annually. The hearing includes a review of academic performance data, budget data, and other ESC performance standards.
- **Board of Directors**
  - Each ESC is governed by a board of directors composed of seven members.
- **Federal Grant Audits**
  - The TEA Grants and Federal Fiscal Compliance Division completes audits of federal grants for 5 ESCs per year.
- **Annual 3rd Party Client Satisfaction Survey**
  - University of Texas conducts a client satisfaction survey among ESC users. Results are reported by each ESC and reported to the Commissioner of Education and the Legislature.
- **Workshop Evaluation System**
  - All workshop attendees complete an anonymous survey following any workshop they attend.
- **Program Advisory Committees**
  - Local services offered on a fee-basis for district purchase are informed by advisory committees which assist in setting fee-structures and designing program/service delivery.
- **On-line Posting of Check Registers**
  - On-line check registers are posted monthly by each ESC on their websites.
- **Performance Based Monitoring of Regional ESCs**
  - Student performance data is annually reported by the region showing gaps in student performances and groups of students who are under-or-over represented in various programs.
- **Annual Evaluation of ESCs by the Commissioner of Education**
  - The performance of each ESC and the Executive Director is conducted annually by TEA.
- **Monitoring Reports from Various Agencies**
  - State and federal agencies such as Texas Department of Agriculture, Texas Department of State Health Services, Head Start, Texas LEARNS, Texas Workforce Commission, etc., conduct desk and on-site monitoring of ESC fiscal and program compliance.
- **Annual Needs Assessment and Program Review**
  - Each ESC annually assesses the effectiveness of its program/services, identifies areas for additional products/services based on district requests, and modifies existing programs.
- **Performance Scorecard Measures**
  - Data is reported uniformly by all ESCs on a monthly/quarterly/annual basis for key performance indicators. Data is reported to TEA and the LBB.

### **PRIOR REVIEWS AND ACTIONS COMPLETED:**

- LBB Performance Review – Management and Performance Review by MGT of America – 2003-2004
- ISO Certification – 2003
- ESC Scorecard – 2003 – Report data on 13 key indicators
- Sunset Review – January 2005
- 79th Legislature – Shared Service Arrangement Use by School Districts Report - January 2007

- 82nd Legislature – Rider 39 Report on Cost Savings – November 2010
- 83rd Legislature – Rider 39 Report on Cost Savings – November 2012
- 84th Legislature – Rider 38 Report on Cost Savings – December 2014
- State Audit of certain programs – 2014
- State Audit of TEA and ESC Contracts – 2016
- 85th Legislature – Rider 35 Report on Cost Savings – October 2016
- Boston Consulting Group (BCG) audit of TEA – included services offered by ESCs – Fall of 2016