



CASE STUDY

Funding District Priorities from Within: South San Antonio ISD (TX)

by Mark Wiernusz and Kelly Murphy

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A New District, a Familiar Challenge

Dr. Abelardo Saavedra knew he would face challenges when he assumed the superintendency of South San Antonio Independent School District (TX) in 2014. He was to become the fifth superintendent in three years in a district with many challenges. Dr. Saavedra, a veteran superintendent who had formerly headed the state's largest district, Houston ISD, moved quickly to address issues regarding district finances and staffing practices that had been dominating the headlines; he brought in a new chief financial officer, reorganized the budget office, and made many changes to leadership.

But fundamentally, the challenges at South San Antonio Independent School District (South San Antonio ISD) were familiar ones to Dr. Saavedra and to virtually all district leaders. A budget gap, coupled with a reclassification of certain assets, left the district in search of more than \$4 million to balance the budget. The challenge was to close the budget gap while making new investments to raise student achievement and better meet the many demands of its population, 88% of whom qualify for free or reduced-priced lunch and 15% of whom are English language learners.

Dr. Saavedra knew he had to take a hard look at the district's spending and staffing. Partnering with the District Management Council (DMC), Dr. Saavedra launched a detailed study of staffing in both general education and special education. As a result of this work, South San Antonio ISD and DMC were able to identify approximately \$8 million in potential funds to shift to district priorities. Most impressive is that the district was able to fully operationalize \$3.5 million of these spending shifts in just a matter of months.



SOUTH
SAN ANTONIO
ISD (TX)
FAST FACTS

9,960 students enrolled:
– **97%** Hispanic
– **1.44%** White
– **1.35%** African American

– **88%** Free and Reduced
Lunch Eligible
– **15%** English Language
Learners
– **8.5%** Students with an IEP

600
Instructional
staff FTE

Data Drives Insight

The prevailing belief among staff in South San Antonio ISD was that the district's budget was tightly managed and that there was limited opportunity to shift funds from current spending. Arriving with a fresh perspective and years of experience leading other districts, Dr. Saavedra suspected otherwise. Having been a senior advisor at the District Management Council, he was also aware of the work that DMC had been doing with other districts to improve the allocation and management of staffing in both general and special education. By gathering and analyzing detailed data—at a level that few districts examined—DMC had been helping districts identify opportunities to adjust staffing to effectively meet student needs while allowing for a redeployment of funds to support strategic initiatives.

Given the culture that had developed in San Antonio ISD, where “a lot of staffing decisions were made for political reasons,” Dr. Saavedra believed that an examination of staffing levels in each school and department was a good place to start. Some staff and leaders, accustomed to the district's existing processes, were wary of the initiative. But Dr. Saavedra knew that past practice and a desire for stability often stand in the way of identifying opportunities to free up funds. Having an outside party with sophisticated technology tools and benchmarking lent credibility and would provide important points of reference. He asked DMC to partner with the district to take a deeper look at how the district was investing in its staff, whether this was aligned to enrollment and student needs, and whether funds could be redeployed to support the district's strategic objectives.

Getting Granular

The existing practices for managing staffing and costs in South San Antonio ISD resembled the approaches used in many other districts. There was a history of carrying forward the previous year's staffing levels. As enrollment and course selections shifted over the years, staffing in schools or departments usually remained pegged to prior years' levels or increased, but seldom dropped.

The district had not institutionalized a strategic approach to reconsidering staffing each year to ensure that it was aligned to

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student needs and course enrollment. A clean-slate, in-depth annual analysis was not attempted for a variety of reasons: it was very time-consuming to do by hand, the needed data wasn't readily available, and most interestingly, few believed it would yield much benefit. The elementary schools were governed by state-mandated class-size caps and the secondary schools were, the staff believed, tightly managed and staffed. “Why invest when the opportunity was small?” the thinking went. Instead, the district relied on anecdotal evidence from district and school leaders to understand which schools were in need of more staff and which roles were understaffed.

Staffing levels were on target much of the time, but not all of the time. If most classes, schools, or departments are appropriately staffed, it's easy to assume they all are. But, without a transparent, clearly defined process and a set of guidelines and formulas for managing staffing, the unintended consequence is a lack of precision in managing the very significant investments in staffing. As the district would learn, even a few opportunities at the edges—one or two schools, a few departments, a couple roles in special education—can add up to \$8 million in annual resources that could be diverted to top priorities.

South San Antonio ISD, in conjunction with DMC, began by examining the current state of staffing across the district's fifteen schools at each school level (elementary, middle, and high school) and across types of classes (core and →

Number of schools

- 10 Elementary Schools
- 4 Middle Schools
- 1 High School

Operating budget:

\$99.8
million

Spending per pupil:

\$10,024



Superintendent
Abelardo Saavedra

By establishing clear guidelines for nearly every position, grade, and course, the staffing process moved from one governed by history or persuasion to one based on precision and putting students first.

specials/electives). The project included an analysis of general education as well as special education, with the goal of being able to address strategic questions such as “Does staffing at each school match changing enrollment? Is staffing addressing the needs of students?” and “Are all teachers teaching a full load to full classes?”

The district team and DMC began by gathering very detailed data—at a level of detail very different from what had typically been collected in the district. The data collected included:

- Elementary class sizes for every classroom at every school, including gifted and talented and bilingual classes
- Class sizes for every section of every course, both core and elective, offered in the district
- Teaching load for all middle school and high school teachers of both core and elective courses
- Schedules of each special educator, with specifics on the amount of time spent with students, in meetings, or doing paperwork. It also included how many students they were helping during each session.

The data collection phase of this work was more than an exercise in gathering reams and reams of numbers. A deep understanding of each school was essential to this process. As the new superintendent, Dr. Saavedra wanted to ensure that he and his central office team really understood the unique schedules of each school, as well as the responsibilities of

each individual staff member at each school—from teaching to prep periods and common planning time to other duties, such as serving as a department head. To gain this deeper understanding, the “data collection” portion of the work included extensive interviews with school principals, district leaders, and various staff members. Hard data and numbers can be very revealing, but important observations and big insights are often gained from discussions with those closest to the work. It is the combination of hard data with the insights and observations culled from interviews that can ultimately provide the best insights and help shape the best solutions and approaches to implementing changes. The interviews also provided an opportunity to discuss the new approach to staffing and to bring staff on board.

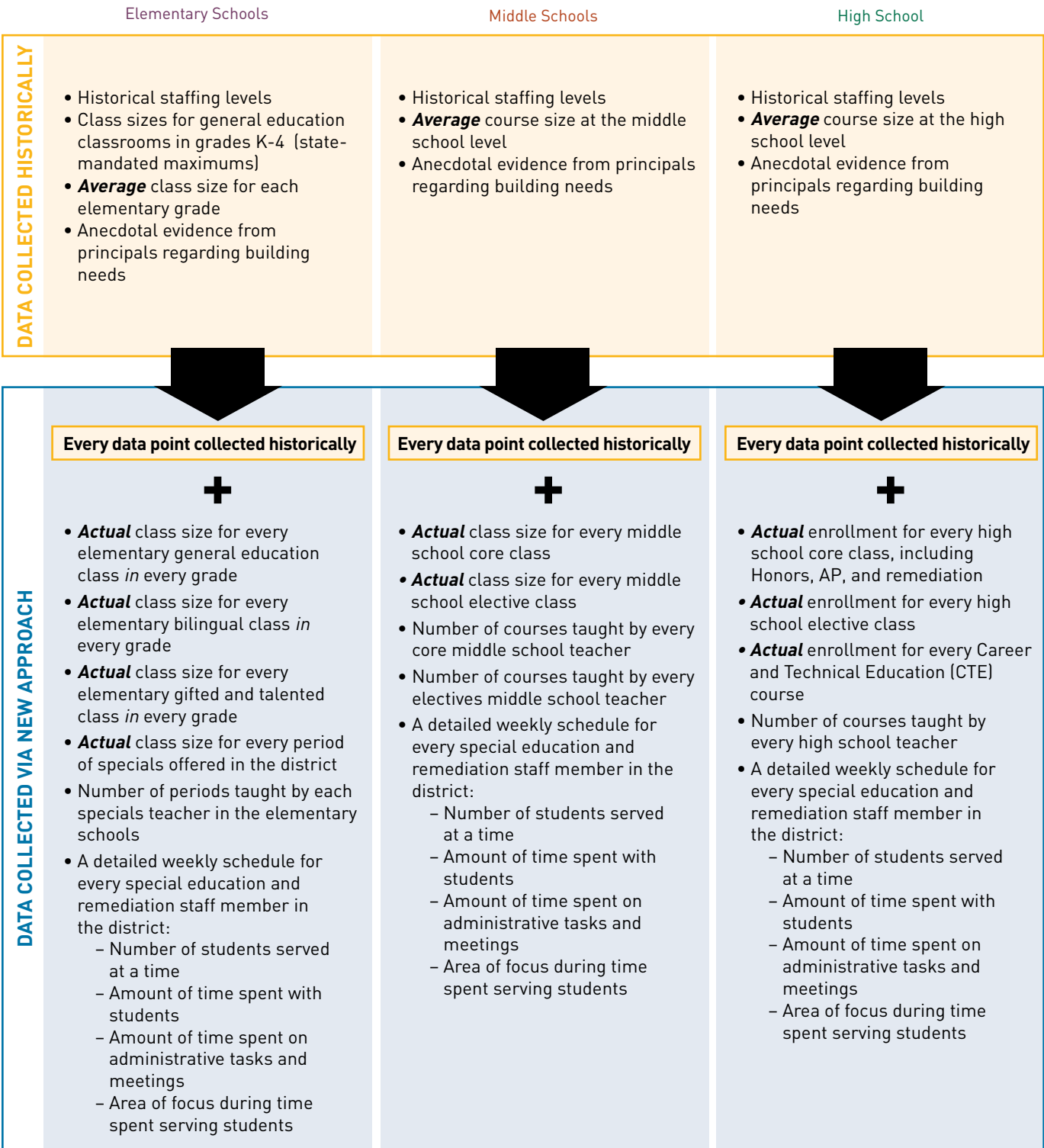
This data collection and series of interviews represented a far more granular approach than districts typically use to set staffing levels (*Exhibit 1*). The work resulted in hundreds of thousands of data points, which web-based technology helped to gather and analyze; the amount of data was at the outer edges of what can be handled effectively by Excel spreadsheets. Analyzing this detailed data and the observations gleaned from interviews enriched the level of insight for Dr. Saavedra and his team. “The difference between the historical way of managing staffing and costs in the district and the granular approach of the resource allocation was like night and day,” he said.

Small Opportunities Add Up

The analysis identified opportunities to shift funds in both general education and special education and across all levels. While significant opportunities were found in the district’s special education practices, Dr. Saavedra recognized that the majority of these would likely need to be enacted over a longer time horizon given the complexities of special education. Facing the pressing need to close the budget gap and wanting to quickly invest in improving student outcomes, he and his team decided to focus primarily on the potential opportunities identified in general education with more limited changes to special education services.

Interestingly, the analysis of the data and insights from the interviews revealed that there was no one large single area of opportunity in general education, but rather many smaller opportunities that could be acted upon fairly quickly. These opportunities were found around the edges which historically did not receive close examination; once identified, many

Exhibit 1 DATA COLLECTION: THE HISTORICAL APPROACH V. THE NEW APPROACH



The new approach required South San Antonio ISD to collect hundreds of thousands of additional data points.

were surprised that no one had noticed these opportunities earlier. What's more, these smaller opportunities added up to a significant amount of savings that could be shifted to strategic priorities.

- **Elementary Schools: Managing Gifted and Talented Programs**

One opportunity that the district identified and pursued was changing how elementary gifted and talented classroom sizes were managed. While the district closely managed the size of general education classrooms in grades K-4 in accordance with state-mandated guidelines, the same close management was not applied to gifted and talented class sizes. As a result, the district found that more often than not, the elementary gifted and talented classrooms across South San Antonio ISD fell well below the state-mandated maximum class sizes and, in fact, had the smallest class sizes within their grade levels—smaller than elementary general education classrooms and even bilingual classrooms. Applying the existing guidelines to the gifted and talented classrooms allowed the district to free up substantial funds (in excess of \$600,000) to reallocate to other initiatives. And, by moving some students “on the cusp” of current eligibility into gifted and talented classes, the district was able to expand the opportunity to more students and potentially raise the achievement of these students by placing them in a more challenging academic environment.

- **Elementary Schools: Creating Guidelines for Grade Five**

While grades K-4 had state-mandated class-size caps, fifth grade did not. Most principals simply applied the same caps to fifth grade. After thoughtful discussion, the district set clear guidelines for fifth grade that were different from the younger grades, freeing up approximately \$300,000, with just small changes in class size.

- **Middle Schools: Managing Core Class Size**

The room-by-room review revealed that middle school classes in South San Antonio ISD were, on average, smaller than elementary classes. This discovery surprised the district and building leaders because the low average was masked by a lot of variation: while there were some very small classes, there were also some very large classes of 28 or 29 students within the middle schools. Since it is human nature

to remember the outliers, it was “common knowledge” that the middle school had big classes of up to 29 students. This perception generated pushback from staff and parents, and clouded the truth that in fact many small classes existed.

The district did not raise the typical class size at the middle school, but rather held class sizes to a more consistent target, reducing the variation in size of middle school core classes. The district was thereby able to free up funds for other priorities, while also improving equity for teachers and students across the district. At the middle school level, the district identified and shifted \$700,000 to fund high-priority initiatives.

- **High School: Career and Technical Education (CTE)**

At the high school, most departments considered themselves to be tightly managed and staffed, and few expected many opportunities for shifting funds to be identified. But Career and Technical Education (CTE) was an area where the district was able to identify opportunities to improve efficiency; nearly 70% of the courses had 19 or fewer students, with several courses having fewer than ten students enrolled. District leadership had not managed CTE class size as closely as other secondary course enrollments due to a perception that managing CTE courses was more complex (CTE safety regulations must be followed, for example). By applying a structured review of course enrollment to CTE and across high school core and elective classes, the district was able to shift nearly \$900,000 to fund high-priority initiatives.

These findings confirmed that the district processes for managing staffing were not well-defined or transparent, so Dr. Saavedra and his team set out to apply a coherent structure to staffing decisions. Their plan did not require raising class sizes above current policy; instead, it followed existing guidelines, developed new guidelines where needed, and ensured that these guidelines were applied with fidelity across schools.

By establishing clear guidelines for nearly every position, grade, and course, the staffing process moved from one governed by history or persuasion to one based on precision and putting students first. Shifting staffing wasn't nearly as hard as in the past. The clear, transparent nature of the decision

making allowed building leaders to accept the changes as fair and reasonable, rather than arbitrary. The district was not pursuing “across the board” cuts in order to close the budget gap, but rather was taking a strategic approach, identifying inefficiencies based on detailed data and then shifting funds toward district priorities to improve student outcomes.

Leadership and Strategic Thinking Ease Implementation

Identifying opportunities to redirect funds is often far easier than realizing those opportunities, but South San Antonio ISD was able to implement all new policies for general education within a few months and to begin making some changes to special education services. In this district of under 10,000 students, approximately \$3.5 million was rapidly freed up and redirected to areas long neglected by the district. Major investments included facilities upgrades, capital improvements to buildings, and the purchase of equipment such as computers and technology. Dr. Saavedra shared, “For many years the district had simply not addressed any of these issues. We were able to start that process.”

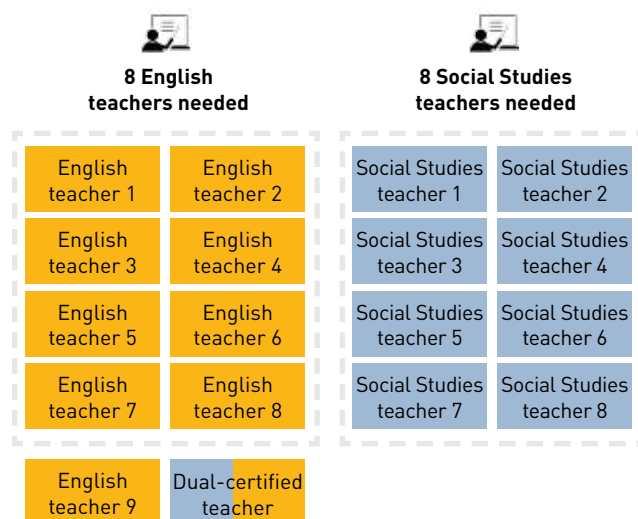
Looking to enact staffing changes quickly and efficiently, Dr. Saavedra identified the business manager as project lead to ensure that this work was prioritized and streamlined. The business manager engaged the principals in consistent communication and served as a centralized district point person for principals to reach out to with questions or concerns as implementation progressed. This open communication allowed the district to head off the unintended consequences that can occur during implementation.

With a thoughtful approach to enacting these changes, the district was able to make the necessary adjustments while minimizing negative effects on staff. In fact, virtually every staff member who planned to come back to the district was able to. In some instances, South San Antonio was able to take advantage of natural attrition. When a teacher announced that he or she was leaving or retiring, the district leadership would consult the guidelines and decide whether to restaff the position or not based on the calculated staffing needs. Often a teacher from an overstaffed school could be transferred to fill the spot. In other instances, district leadership was able to utilize staff members differently in order to fill district needs, as many staff members had certifications that allowed for some flexibility. In some instances, the district was able

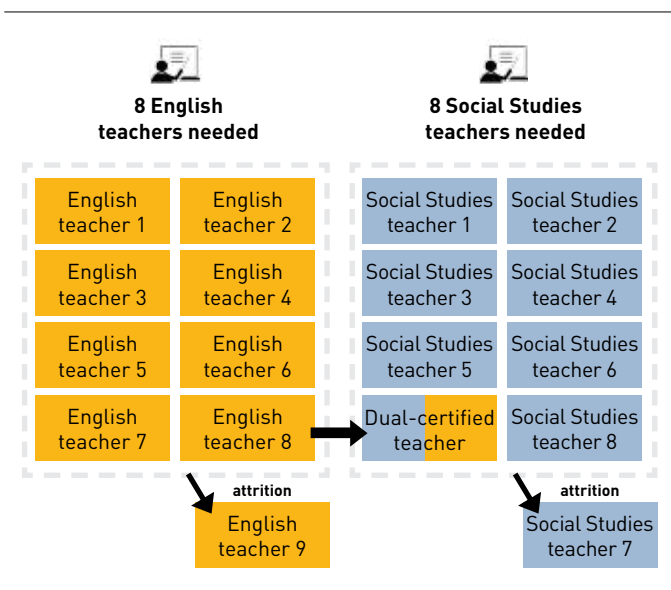
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to apply both of these methods in a two-part approach, leveraging both attrition and the ability to move staff across roles.

The simplified example below illustrates the type of work South San Antonio ISD did on a larger scale. In the example below, a district needs eight English teachers and eight Social Studies teachers. The district has the correct number of staff in the Social Studies department but is overstaffed by two staff members in the English department. →



District leadership knows that two of these teachers plan to retire before the next school year—one English teacher and one Social Studies teacher. This leaves the district short one Social Studies teacher. Some research into the teachers’ backgrounds and credentials reveals that one of the English teachers has dual certification, and the district is able to ask that teacher to join the Social Studies department to fill the identified need. A district could even offer the dual-certified teacher a stipend as an incentive to make the switch, which would cost the district considerably less than having to hire an additional Social Studies teacher. In this scenario, the district is able to address the need in each department, and does not have to reduce a single staff member.



In South San Antonio ISD, many changes such as these were implemented across the district. But as Dr. Saavedra pointed out, “This requires continuous revisiting. You cannot do a clean-up and then walk away from it and say, ‘It is in place; we can ignore it from now on because we have done our job.’ Running a student-centered district cost-effectively requires that we reexamine decisions on an ongoing basis. Every year we need to look at why we do things the way we do them, and many times even second-guess ourselves as to whether there are more efficient ways to provide these services.”

Tweaking the staffing guidelines each year and applying them to shifting enrollment is key to maintaining and expanding the chances to shift funds for top priorities. Misalignment between staffing and student needs creeps back in all too quickly.

Lessons Learned

South San Antonio ISD’s experience highlights several important lessons learned. These lessons were key to the district’s success in shifting funds to priority areas in short order, and in institutionalizing the process in their ongoing management.

1. Believe that opportunities to shift funds exist and are often “hidden in plain sight”

One of the most surprising discoveries for South San Antonio ISD was the number of opportunities that existed within the current budget. District staff had strongly believed that there were no savings to be had; but a deeper analysis identified nearly \$8 million that could potentially be shifted to district priorities, with \$3.5 million of that total capable of being shifted almost immediately. Interestingly, many opportunities seem to have been hiding in plain sight. These opportunities were in areas of district spending that may not typically be subject to close analysis, such as the gifted and talented classes or CTE courses. Once identified through an analysis of the data, it seemed surprising no one had noticed these opportunities before.

2. Small opportunities add up

Within general education, there was no single large opportunity identified, but several small opportunities. But these smaller opportunities added up to substantial funds to be put toward district priorities. And these smaller changes proved relatively easy to implement.

3. A granular approach is key

Gathering detailed, granular data allowed the district to take a fresh look at current spending. Hundreds of thousands of data points were needed. While much of the data existed in district computers, specialized software helped collect, analyze, and give meaning to the large data sets. Opportunities exist in most districts, but a close look at granular data and a methodical approach are needed.

4. Strategic thinking matters in implementation

Once opportunities are identified, a strategic approach is essential to ensuring quick and smooth implementation.

a. Appoint a point person

Implementation in South San Antonio ISD was greatly streamlined by having one point person to oversee the process—in this case the business manager. This individual took the lead in working with principals and staff to enact the changes.

b. Phase in the changes

Applying strategic thinking also helped the district phase in the changes appropriately. Due to the more complex and politically charged nature of implementing changes in special education, South San Antonio ISD enacted changes to general education first. The district will pursue the opportunities identified in special education but more methodically and at a slower pace.

c. Minimize the impact on staff

The district was able to achieve desired staffing levels without an involuntary reduction in the workforce by reviewing positions when attrition occurred and leveraging staff members who had multiple certifications. By combining these approaches when applicable, the district was able to shift staff to achieve desired staffing levels.

With Efficiency Comes Possibility

The insights gleaned from the data brought attention to inconsistencies and inefficiencies in staffing, and equipped the district to make changes. After seeing an analysis of the data, leadership and staff had a renewed commitment to applying clear and consistent guidelines to class size and teaching load across the district. And the process created transparency; central leadership could now point to data and a clear rationale to explain staffing decisions. It was apparent that district leadership was not enacting changes in staffing for the sake of making cuts, but rather to shift resources to district priorities. Staff could clearly see the long-needed improvements to facilities and the purchase of new technology that would allow them to better equip their students with skills to navigate the 21st century. Dr. Saavedra commented, “I think they are all believers now. They very quickly adjusted and continue to be effective, as demonstrated by the performance of the district.”



Superintendent Abelardo Saavedra meets staff at Robert Zamora Middle School.

Indeed, South San Antonio ISD made great strides in performance this year. The adjustments made were not detrimental to the district’s outcomes; in fact, outcomes improved after the district took steps to run more efficiently and be mindful of the investments they were making. The district saw improvement on the state assessment, with no schools identified as “improvement required”; this was progress compared to the year before, when two schools had been identified as such. Dr. Saavedra was particularly proud of the comparison to surrounding districts; South San Antonio ISD has one of the highest poverty levels compared to surrounding districts, yet had no schools deemed as needing improvement. The district also increased their state-awarded distinctions from 21 last year to 27 this year, a 28.5% improvement; distinctions are earned when schools perform in the top quartile of their comparison group.

Taking a deep analytical look at current spending illuminated opportunities to shift funding to investments that would most positively impact students. In the words of Dr. Saavedra, “When you are able to achieve efficiency in the way the district allocates resources, the opportunity to improve performance becomes very real.” ♦