

THE HOUSTON INDEPENDENT SCHOOL DISTRICT



AGENDA

**Board of Education
Meeting**

October 11, 2012

THE HOUSTON INDEPENDENT SCHOOL DISTRICT
BOARD OF EDUCATION

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Terry B. Grier, Ed.D., *Superintendent of Schools*

THE HOUSTON INDEPENDENT SCHOOL DISTRICT

BOARD OF EDUCATION AGENDA

October 11, 2012

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MEMORANDUM

TO: Members of the Board of Education

FROM: Terry B. Grier
Superintendent of Schools

SUBJECT: **MODIFICATIONS TO THE OCTOBER 11, 2012 BOARD OF EDUCATION
MEETING AGENDA**

The following modifications have been made to the agenda for the October 11, 2012, Board of Education meeting:

ITEM	SUBJECT	ACTION TAKEN	DATE
B-2	Omnibus Ethics/Procurement Item	Revised BBFA Attachment	10/08/12
D-1	Donations	Revised Attachment 1, pg 2	10/04/12
		New Attachment 2	10/05/12
G-1	MOU with National Wildlife Federation	Revised Item	10/10/12
H-1	Vendors Attachment	Revised Attachment 1, pg 2	10/09/12
		Revised Attachment 2, pg 1	10/09/12
H-2	Purchasing Attachment	Revised Attachment, pg 1	10/05/12
H-6	Resolution for Public Purpose	Revised Attachment, pg 4	10/08/12

TG/MP/cm/so

REPORT FROM THE SUPERINTENDENT

Office of Superintendent of Schools
Board of Education Meeting of October 11, 2012

SUBJECT: **BOARD MONITORING SYSTEM—GOAL 1, SECTION I:
DEMONSTRATE VALUE-ADDED GROWTH USING EVAAS DATA**

At the February 11, 2010 meeting, the Board of Education implemented a revised Board Monitoring System in order to efficiently maintain and measure Houston Independent School District's (HISD) goals and core values. The monitoring system was designed to give district administrators clear direction on how to meet the board's expectations in these crucial areas.

Board Policy AE(LOCAL) states “[T]he administration shall report to the Board on each goal and core value using the specific method and timing set out below, . . .”

In reference to the district's **Goal 1: Increase Student Achievement**, the attached report provides information regarding **Section I: Demonstrate Value-Added Growth using EVAAS Data**. The policy states that “[T]he administration will provide the Board with a report that reflects the value-added gains by grade and subject for the District.

Timing: This report shall be presented to the Board each year at the October Board meeting.”

In accordance with the district's targets, the attached report provides the estimated mean Normal Curve Equivalent (NCE) gains in all grades on the composite measure across all subjects and the cumulative mean NCE gain across grades and subjects.



Board Monitoring System: Indicator I

EXECUTIVE SUMMARY

Purpose

The Houston Independent School District (HISD) exists to strengthen the social and economic foundation of Houston by assuring its youth the highest-quality elementary and secondary education available anywhere. In fulfilling this goal, HISD's Board of Education has designed a program to systematically monitor the district's goals and core values. The Board Monitoring System will report on each goal and core value on a routine basis. The goal currently under review is to demonstrate value-added growth as measured by the Educational Value-Added Assessment System (EVAAS). Goal 1, Section I Value-Added growth is specifically measured using the annual estimated mean Normal Curve Equivalent (NCE) gain.

With the transition from TAKS to STAAR in 2011, a new growth standard for value-added analysis has been established. Starting this year, the growth standard will be the 2011-2012 state distribution of student gains on the STAAR instead of the TAKS state distribution from 2006. With this new baseline, it is not possible to compare the 2011-2012 gain with previous years' gain; this will be reflected in the proceeding findings where graphs reflect single-year results only.

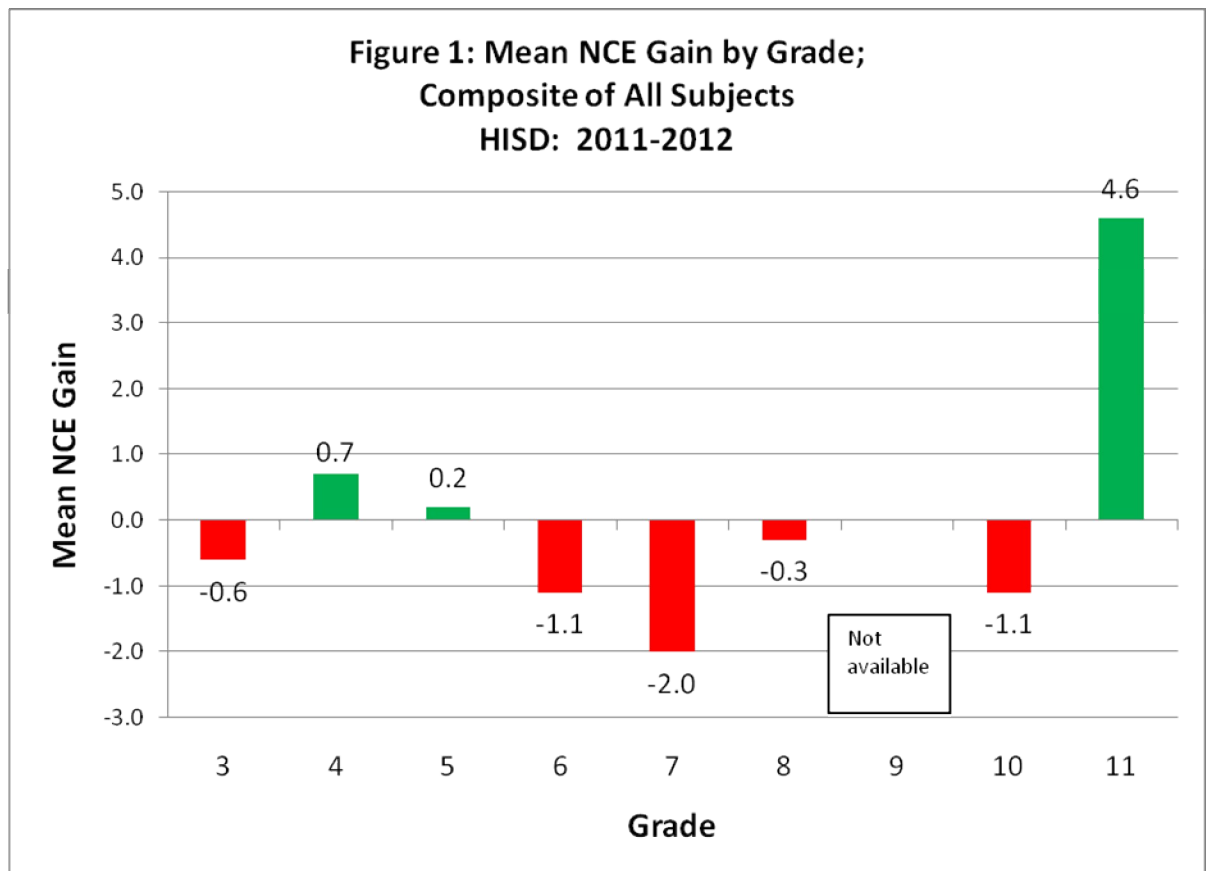
Also new for 2011-2012, certain grade levels will not have district-level value-added reports. Specifically, ninth grade, where students took the End-of-Course exams, will not have any district-level value-added reports because of the methods used by EVAAS. Campuses will have End-of-Course reports for all subjects tested in ninth grade, except in Geometry where there wasn't a sufficient number of takers across grades and subjects to generate a valid model. In the proceeding findings, specific sections will note when EVAAS analysis is not available.

In addition, the elimination of the Stanford testing for high schools in the 2011–2012 school year did not allow value-added analysis in Science and Social Studies. In the section for Science and Social Studies findings, the graphs will note where EVAAS data are not available for Science and Social Studies.

Findings

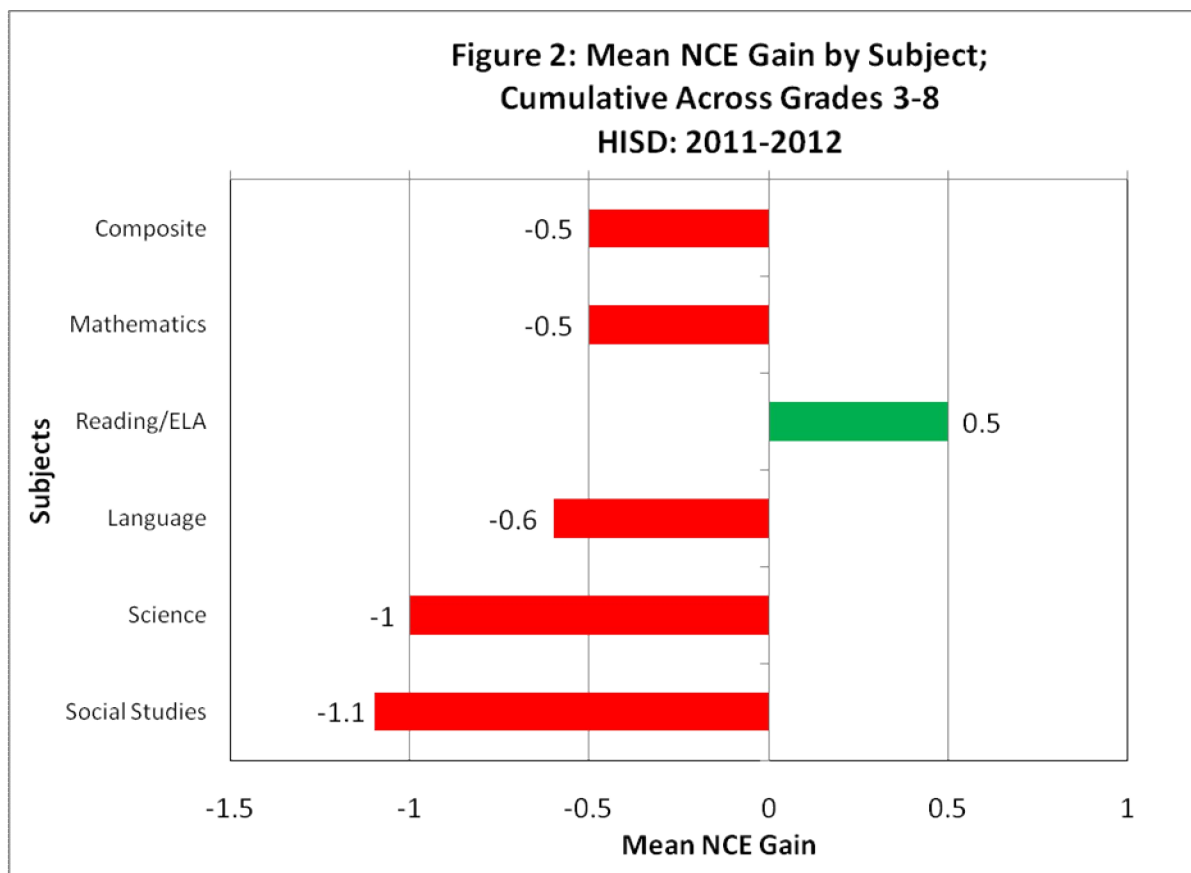
NCE Gain: Composite Across all Subjects for Each Grade

- HISD's target is to show value-added growth in estimated mean NCE gain greater than one standard error above the growth standard in all grades on the composite measure across all subjects. For the 2011-2012 school year, HISD met this target in one of the eight grades for which value-added data is calculated (**Figure 1**). Eleventh grade is showing the most gain (4.6) on the Composite measure for 2011-2012 while fourth and second grades show gains at a smaller scale. With many of the district's 7th graders taking the 8th grade test, the negative gains at the 7th grade level were expected, and with many 8th graders taking the 9th grade End-of-Course exams, the low gains posted at the 8th grade level were expected as well. Ninth grade does not have district level value-added results due to the implementation of End-of-Course exams.



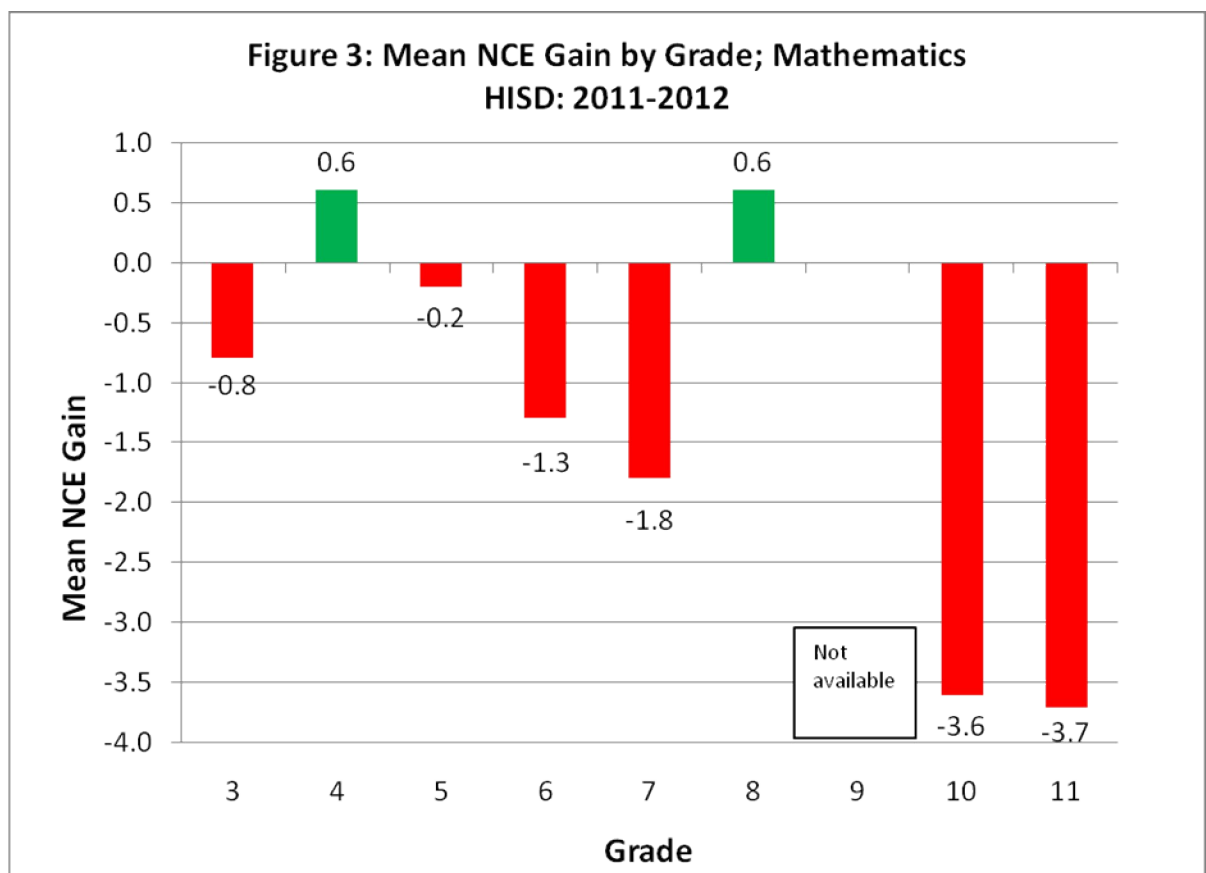
NCE Gain: Cumulative Across Grades for Each Subject

- HISD's target is to show a cumulative NCE gain across grades and subjects greater than 1.5 NCEs. The district did not meet this target for 2011–2012. The composite NCE gain across all grades and subjects was -0.5 (**Figure 2**).
- The composite NCE gain across all grades for four of the five tested subjects had mean NCE gains below the growth standard. Reading/ELA had a positive gain of 0.5 for 2011-2012.

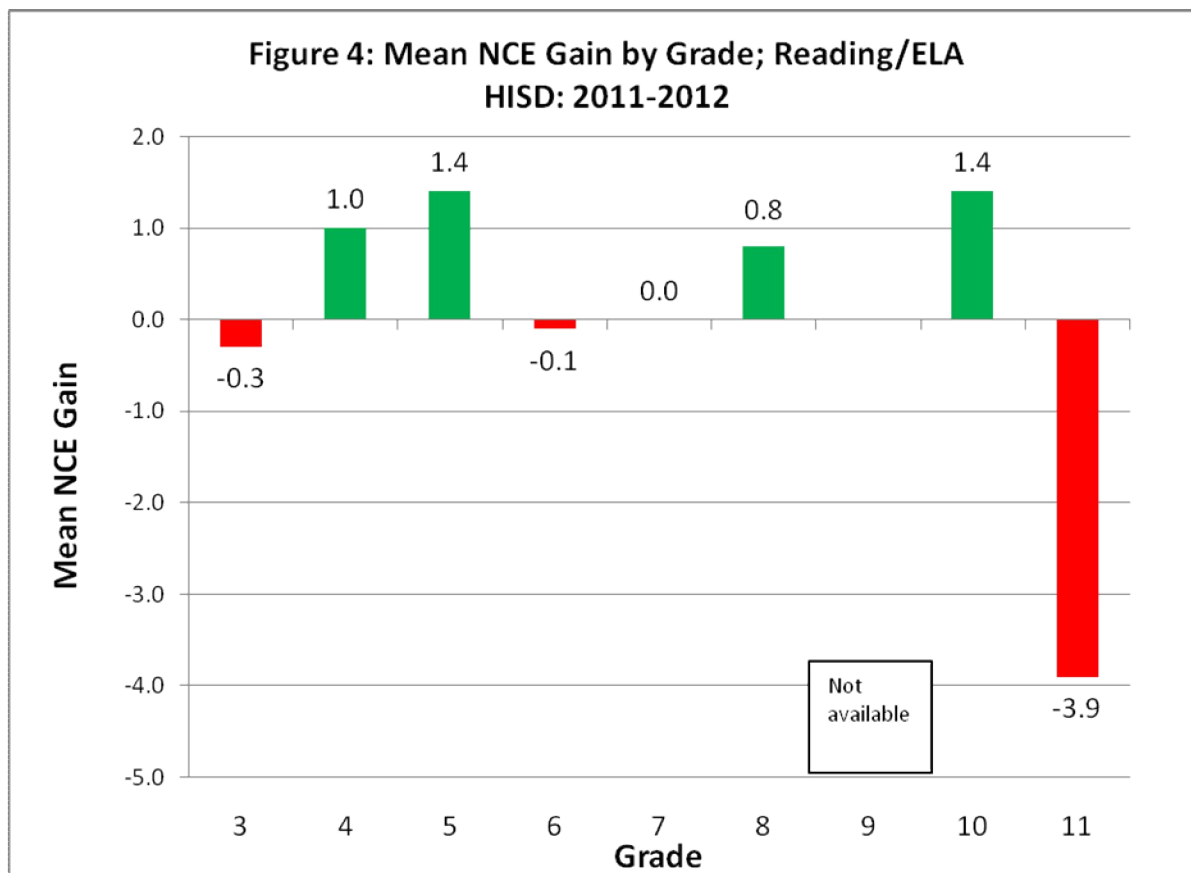


NCE Gain: For Each Subject by Grade

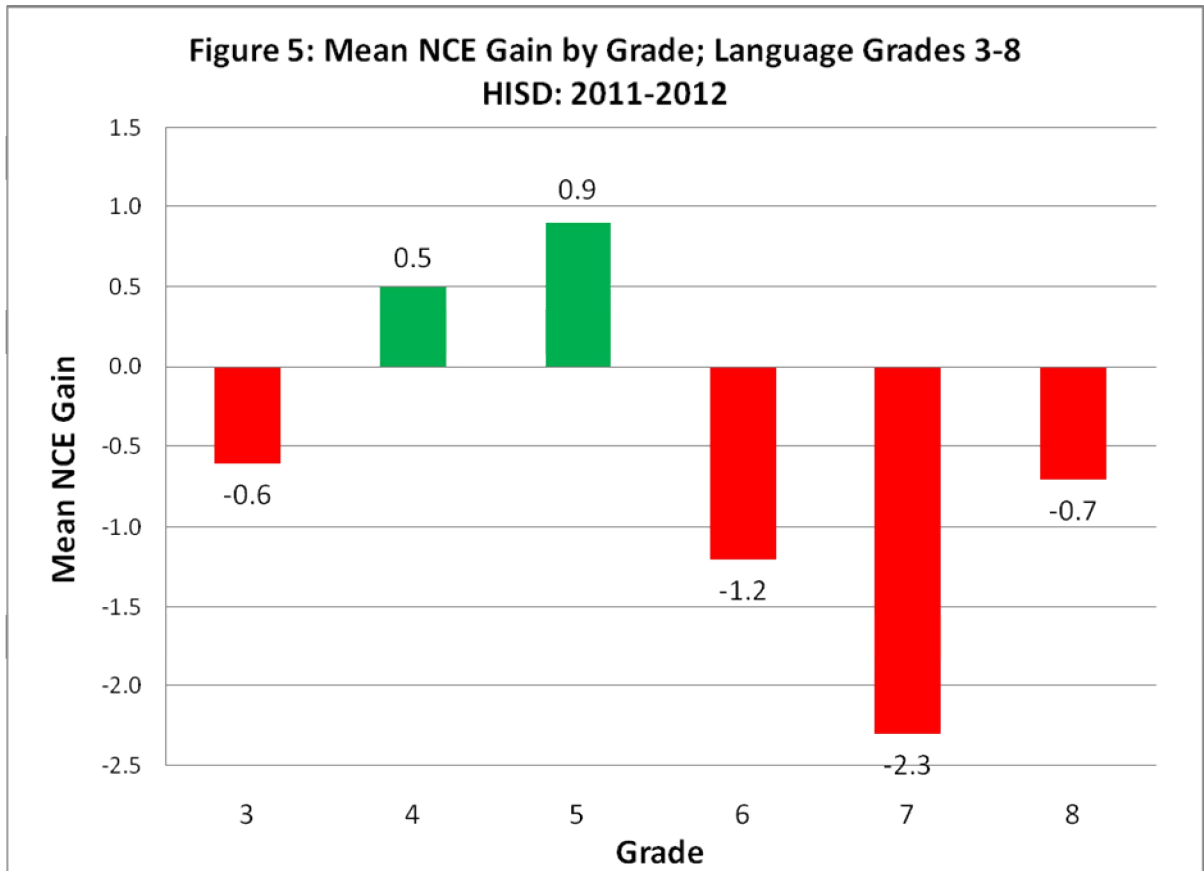
- HISD's target is to show Math mean NCE gains of 1.5; for 2011–2012 this target was not met. Two out of the eight grades for which EVAAS analysis was available did show some gains in Math (**Figure 3**). Fourth and 8th grades showed positive gains (0.6) compared to the growth standard. EVAAS district-level analysis was not available at the 9th grade because students took End-of-Course exams for Algebra and Geometry.



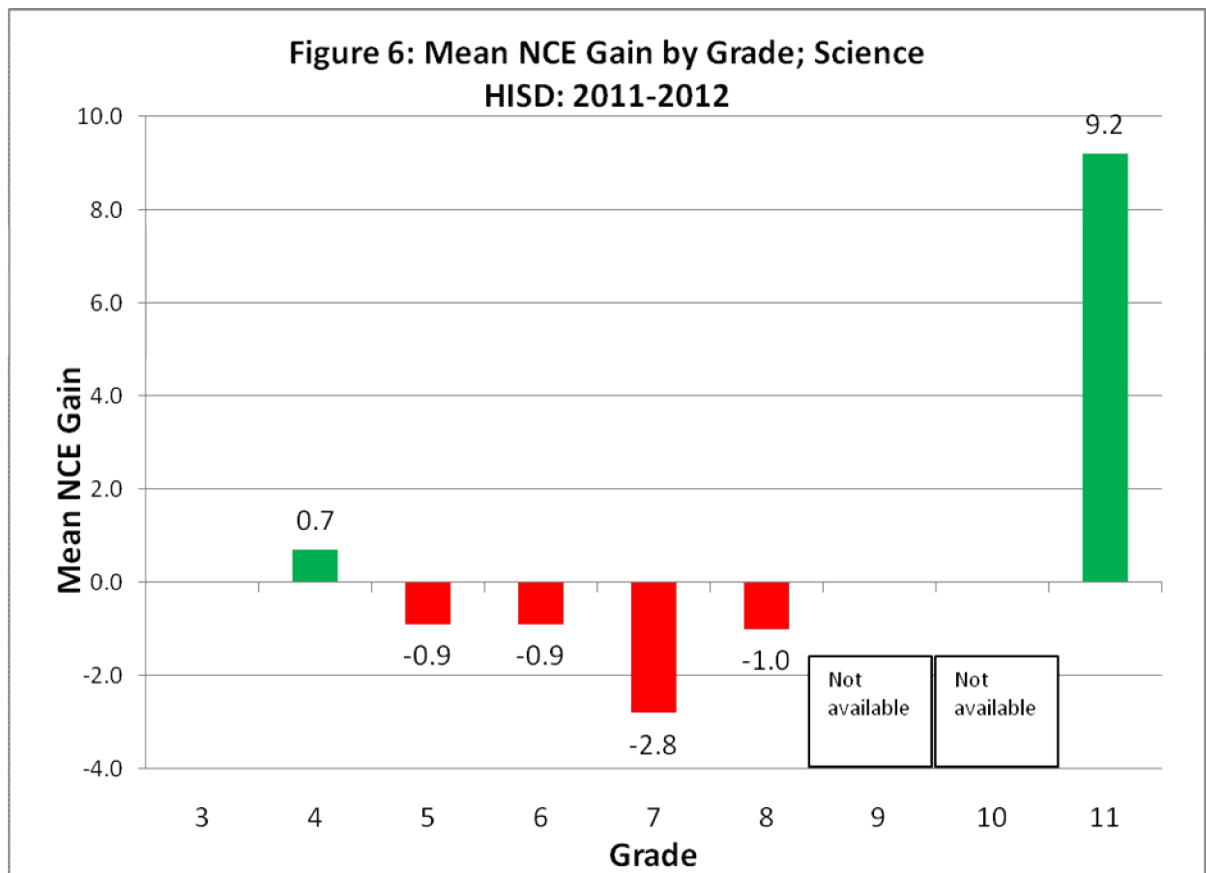
- In Reading/ELA, HISD's target is to show at least 1.5 mean NCE gain. For 2011–2012, the district did not meet this target. However, four of the eight grades for which EVAAS analyses were available showed gains. Highest gains were found in 5th and 10th grades (1.4) while positive gains were also posted at the 4th and 8th grades (**Figure 4**). EVAAS district-level analysis was not available at the 9th grade because students took End-of-Course exams for English.



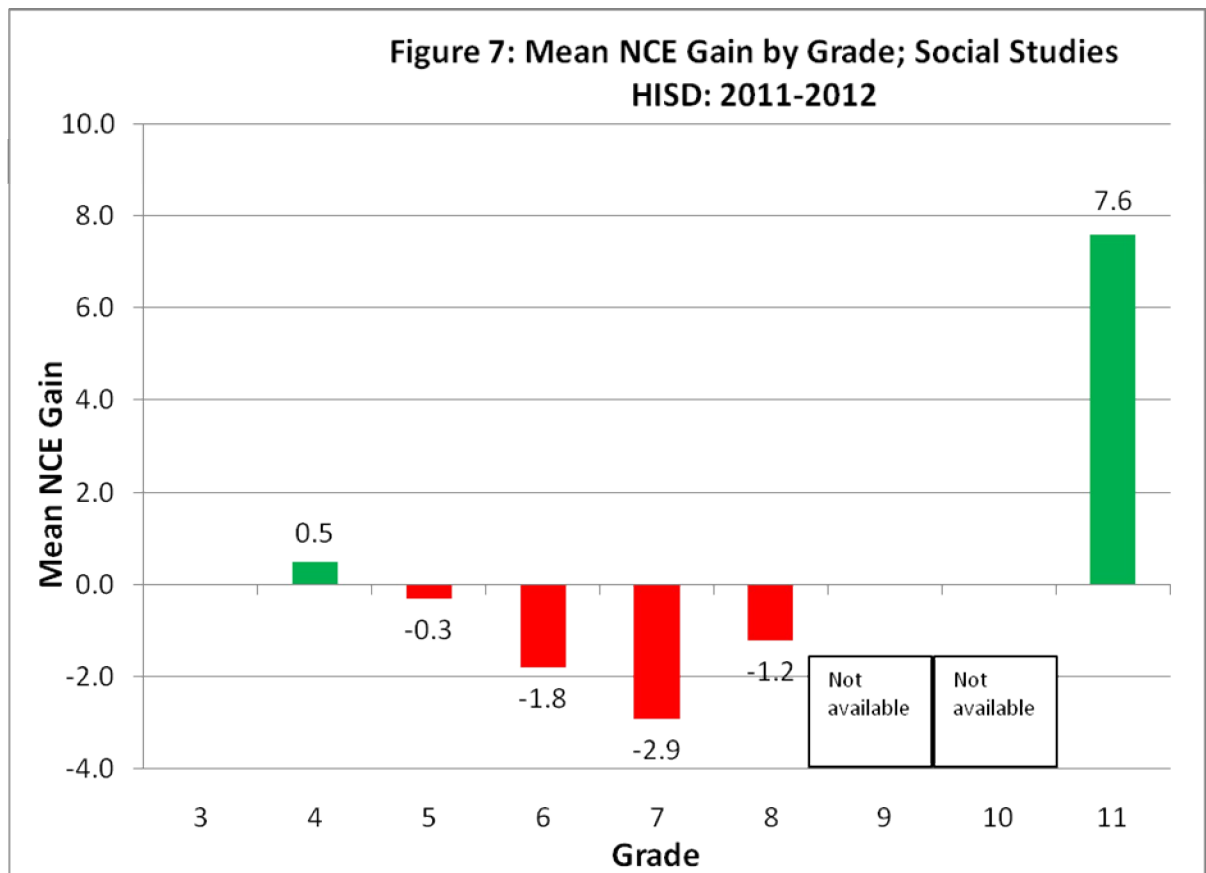
- In 2011-2012, HISD did not meet its target to show at least 1.5 mean NCE gain in Language. However, two of the six grades for which there were value-added analyses did show some positive growth. Fifth grade showed the highest gain (0.9) with 4th grade also showing some growth (0.5) (**Figure 5**). Since Stanford/Aprenda is no longer administered at the high school level, value-added analyses for Language at the high school level are no longer available.



- HISD's target is to show 1.5 mean NCE gain in Science for 2011–2012. The district met this target in one of the six grades for which there are value-added analyses. Eleventh grade showed the highest gain (9.2) with 4th grade also showing positive gains (0.7). Due to ninth graders taking End-of-Course exams (Biology), value-added analysis at the district level was not available. In addition, there was no previous year test data to be used for the 10th graders, precluding an analysis for the tenth grade (**Figure 6**).



- In Social Studies, HISD's mean NCE gains for 2011–2012 were at or above the targeted growth standard of 1.5 in one out of the six grades for which there are value-added analyses. Eleventh grade showed the highest gain (7.6) with 4th grade also showing gains (0.5). Due to ninth graders taking the End-of-Course exams (World Geography), value-added analysis at the district level was not available. In addition, there was no previous year test data to be used for the 10th graders, precluding an analysis for the tenth grade (**Figure 7**).



Administrative Response:

Since 2007, the district has been implementing value-added measures based on the Education Value-Added Assessment System (EVAAS) methodology to measure the effectiveness of the district, schools, and teachers on student learning. During the 2011-2012 school year, the State of Texas adopted a new accountability/assessment system known as State of Texas Assessment of Academic Readiness (STAAR) that is a more rigorous assessment of student mastery of academic content standards and includes administration of a set of End of Course assessments (EOCs) in the 9th grade, and the Texas Assessment of Knowledge and

Skills (TAKS) at grades 10 and 11. The TAKS will be phased out over the next two years as EOCs replace TAKS.

Because of these changes to the state assessment system, administration is not wholly surprised by the district wide value-added results. In the 11th grade, significant gains were evident in science and social studies; however, student growth in math is lower than expected for grades 10 and 11 and in reading for grade 11. This past summer and into the 2012-2013 school year, the district has invested heavily in training through Neuhaus Education Center of secondary teachers in developing strong literacy instructional practices. In addition, the district has implemented reading intervention software for 9th grade students who are behind on grade level or whom did not pass the EOC. Students are in essence “double-dosed” in reading every day during the school year. The District Cumulative Gain score in reading across grades 3-8 and in grade 10 indicate progress in Reading/ELA is being made at these grade levels.

Regarding increasing student academic growth in all core subjects, HISD released a new set of curriculum documents that include pacing guides, scope and sequence, a vertical alignment matrix, and other resources that align with the Texas Essential Knowledge and Skills. Extensive training of principals and teachers took place during Summer 2012, and support for schools on the implementation of the new curriculum will continue throughout the school year. In addition, the district is developing model lessons across all grades and subjects to serve as a guide for teachers in instructional practices, particularly of concepts where students have had difficulty learning based on data from state assessments.

Finally, HISD is implementing a comprehensive formative assessment system that will enable school administrators and teachers to monitor and track student growth throughout the school year. Data from formative assessments will provide teachers with immediate information on whether or not students need intervention or to progress in their learning. Differentiation of instruction and progress monitoring of students should be improved through the implementation of the comprehensive formative assessment system.

REPORT FROM THE SUPERINTENDENT

Office of Superintendent of Schools
Board of Education Meeting of October 11, 2012

SUBJECT: **BOARD MONITORING SYSTEM–GOAL 1, SECTION D: HISD WILL BECOME A RECOGNIZED DISTRICT**

At the February 11, 2010 meeting, the Houston Independent School District (HISD) Board of Education implemented a revised Board Monitoring System in order to efficiently maintain and measure HISD's goals and core values. The monitoring system was designed to give district administrators clear direction on how to meet the board's expectations in these crucial areas.

Board Policy AE(LOCAL) states “[T]he administration shall report to the Board on each goal and core value using the specific method and timing set out below...”

In reference to the district's **Goal 1: Increase Student Achievement**, the attached report provides information regarding **Section D: HISD Will Become a Recognized District**. The policy states that “[T]he administration shall provide the Board of Education with bar charts representing each TEA accountability measurement used statewide for grading districts as a whole, and reflect on the bar chart the extent to which the District measures. The bar charts shall report the levels needed for various standards (such as recognized, exemplary, etc.) to help measure the District's progress.”

Timing: “The charts shall be provided to Board members as an A-1 report annually in October, commencing in 2004.”

The attached summary provides an explanation of the current status of the Texas Education Agency (TEA) accountability system and why there are no ratings for 2012.



Board Monitoring System: Indicator D

EXECUTIVE SUMMARY

Purpose

The Houston Independent School District (HISD) exists to strengthen the social and economic foundation of Houston by assuring its youth the highest-quality elementary and secondary education available anywhere. In fulfilling this goal, HISD's Board of Education has designed a program to systematically monitor the district's goals and core values. The Board Monitoring System will report on each goal and core value on a routine basis. The goal currently under review is to meet the Texas Education Agency's (TEA) criteria for Recognized status in the state accountability system (Goal 1, Section D).

The TEA Accountability system is the state-mandated method for evaluating schools and school districts with regard to their student performance on certain indicators. In the past, each indicator was examined for all students as well as for each student group (African American, Hispanic, White, and Economically Disadvantaged). Under the state accountability system of 2012, no ratings will be assigned for 2012, and the ratings for 2011 do not apply to 2012. It is still being decided if 2012 performance of the State of Texas Assessments of Academic Readiness (STAAR) will be used for purposes of calculating improvement from 2012 to 2013 in determining ratings for 2013. Schools and districts will be rated under the new accountability system in 2013 and will receive those ratings on August 8, 2013. At this time no decisions have been made regarding the rating labels for 2013 and beyond. This will be among the many issues to be discussed by the **Accountability Technical Advisory Committee (ATAC)** and the **Accountability Policy Advisory Committee (APAC)** in upcoming meetings. Recommendations of these committees will be considered by the Commissioner of Education.

REPORT FROM THE SUPERINTENDENT

Office of Superintendent of Schools
Board of Education Meeting of October 11, 2012

SUBJECT: BOARD MONITORING SYSTEM—GOAL 1, SECTION G: INCREASE THE NUMBER OF STUDENTS TAKING ADVANCED PLACEMENT EXAMS AND SCORING THREE OR HIGHER

At the February 11, 2010, meeting, the Houston Independent School District (HISD) Board of Education implemented a revised Board Monitoring System in order to efficiently maintain and measure HISD's goals and core values. The monitoring system was designed to give district administrators clear direction on how to meet the board's expectations in these crucial areas.

Board Policy AE(LOCAL) states “[T]he administration shall report to the Board of Education on each goal and core value using the specific method and timing set out below, . . .”

In reference to the district's **Goal 1: Increase Student Achievement**, the attached report provides information regarding **Section G: Increase the Number of Students Taking Advanced Placement Exams and Scoring Three or Higher**. The policy states that “[T]he administration shall provide the Board of Education with a bar graph reflecting the number of students taking Advanced Placement (AP) courses and AP exams. A second graph will show the number of examinations taken and the number and percent of AP exams scored at a three or higher. Also presented will be the percent of students taking AP courses, AP exams, and exams scored three or higher by campus for two years. Relevant data for International Baccalaureate (IB) enrollment and examinations taken will also be provided.

Timing: The report will be available to the Board of Education in October of each year.”

The attached reports provide the information requested for the 2011–2012 school year.



Board Monitoring System: Indicator G

EXECUTIVE SUMMARY

Purpose

The Houston Independent School District (HISD) exists to strengthen the social and economic foundation of Houston by assuring its youth the highest-quality elementary and secondary education available anywhere. In fulfilling this goal, HISD's Board of Education has designed a program to systematically monitor the district's goals and core values. The Board Monitoring System will report on each goal and core value on a routine basis. The goal currently under review is to increase the number of students taking advanced placement courses, exams and the number and percentage of students scoring three or higher (Goal 1, Section G).

Findings

Number of Students Taking Advanced Placement (AP) Courses, Exams and the Number and Percentage of Students Scoring 3 or Higher

- In 2011–2012, 13,195 high-school students enrolled in AP courses, and 13,403 high school students took at least one AP exam; once again this is the largest total of AP test takers in HISD over the last six years. In 2010–2011, 11,825 students enrolled in an AP course and 12,298 took an AP subject test (**Figure 1**). In both years, there were more students taking an AP exam than there were students taking an AP course. The district's goal was met.
- The number of AP exams taken by high-school students increased by 9 percent, from 21,347 in 2011 to 23,227 in 2012 (**Figure 2**). The district did not meet the target for a 10-percent annual increase in the number of AP exams taken annually.
- Over the past six years, the number of Advanced Placement (AP) exams taken by HISD high-school students has increased from 9,088 in 2007 to 23,227 in 2012 (**Figure 2**) representing the largest total number of exams taken in HISD history. This is a 156 percent increase over the past six years.
- While the number of exams scored at a 3 or higher has increased from 6,657 in 2011 to 7,106 in 2012 at the high-school level, the percentage has remained the same at 31 percent in 2011 and 2012 (**Figure 2**). It is not unusual, when increasing the number of AP tests taken and providing more students than ever before the opportunity to take AP exams, to see a dip in the percentage scoring a 3 or higher. Based on this same percentage of AP exams that scored at 3 or higher from 2011 to 2012, the district did not meet its target for an increase of two percentage points annually.
- At the middle-school level, 273 students were enrolled in AP courses in 2012, and 336 middle-school students took AP exams (**Figure 3**). From 2007 to 2012, the number of AP exams taken has increased from 48 to 336, an increase of 600 percent. While the number of exams scored at 3 or higher has increased from 197 in 2011 to 214 in 2012, the percentage scoring 3 or higher decreased slightly from 65 percent in 2011 to 64 percent in 2012 (**Figure 4**).
- The percentages of students in grades 10–12 taking at least one AP exam, the total number of exams taken, and the number and percentages of exams scored at 3 or higher for 2010–2011 and 2011–2012 is presented by campus in **Table 1**, and corresponding data for students in grades 8 and 9 are presented in **Table 2**. Fifteen high schools of the campuses who offered AP exams in both school years met the district target of increasing the number of AP exams taken

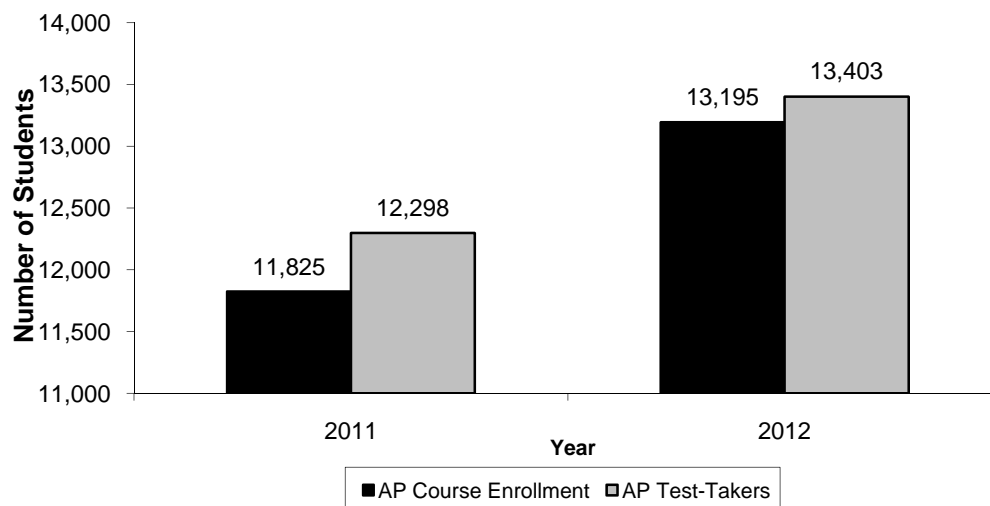
and both the number and percent of exams scored at 3 or higher from 2010–2011 to 2011–2012, for students in grades 10–12.

- Relevant international baccalaureate (IB) data are provided (see **Figure 5**) for 2011 and 2012.

Administrative Response

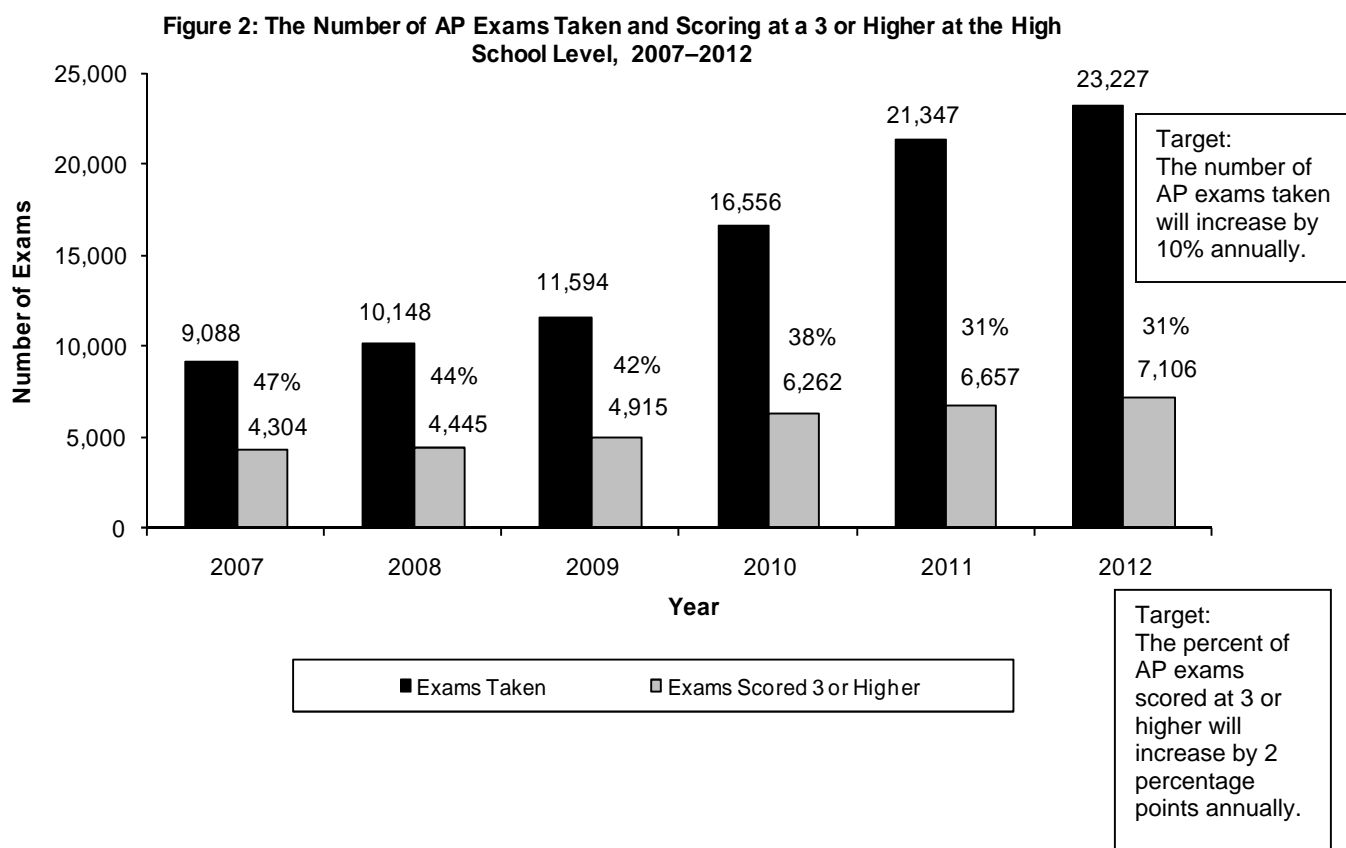
Houston ISD's Advanced Placement program continues to focus on providing professional development based on the data indicated in this report as well as what teachers have indicated they need. By working directly with organizations such as College Board and Laying the Foundation, training offered for Pre-AP and AP teachers provides direct instruction on strategies that assist students. In addition, HISD has begun hosting AP Professional Learning Community for HISD AP teachers to participate in throughout the year. Led by highly effective HISD AP teachers, this program will provide participants the opportunity to share best practices and ideas for the AP classroom in 16 different AP subjects. The district's efforts to provide teachers with specific professional development are also aligned to HISD's AP results. The growth in HISD's AP numbers for both participation and performance are an indication of the dedication of HISD AP teachers, administrators and students who have come to understand the importance of this program.

Figure 1: The Number of High School Students Taking AP Courses and AP Exams



Target:
All students
taking AP
courses will
take AP exams.

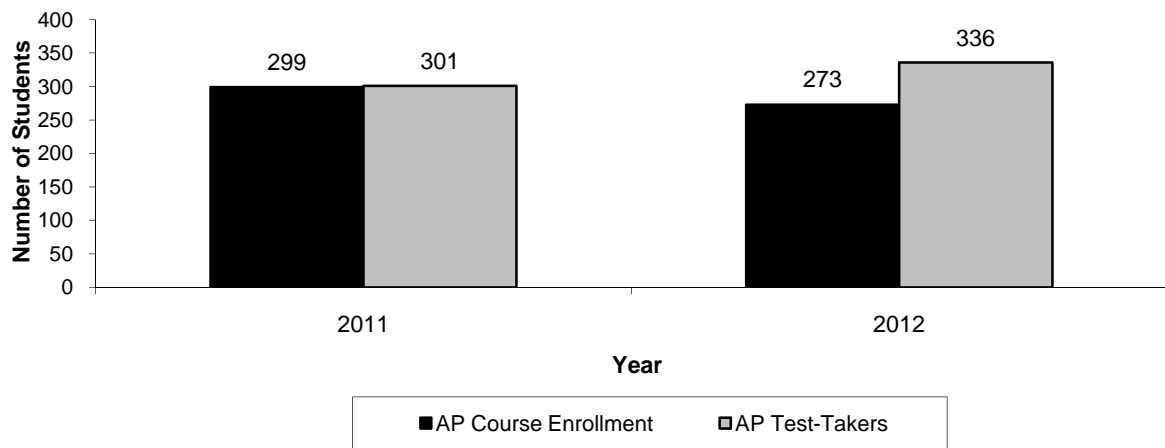
Source: The College Board Reports, 2011 data disk August 23, 2011; 2012 data disk July 30, 2012
Chancery 2010–2012, End of Year data include only students with “active” status. Data reflect the most current information available.



Note: Pending university or college requirements, students scoring 3 or higher qualify to get college credit, advanced placement, or both.

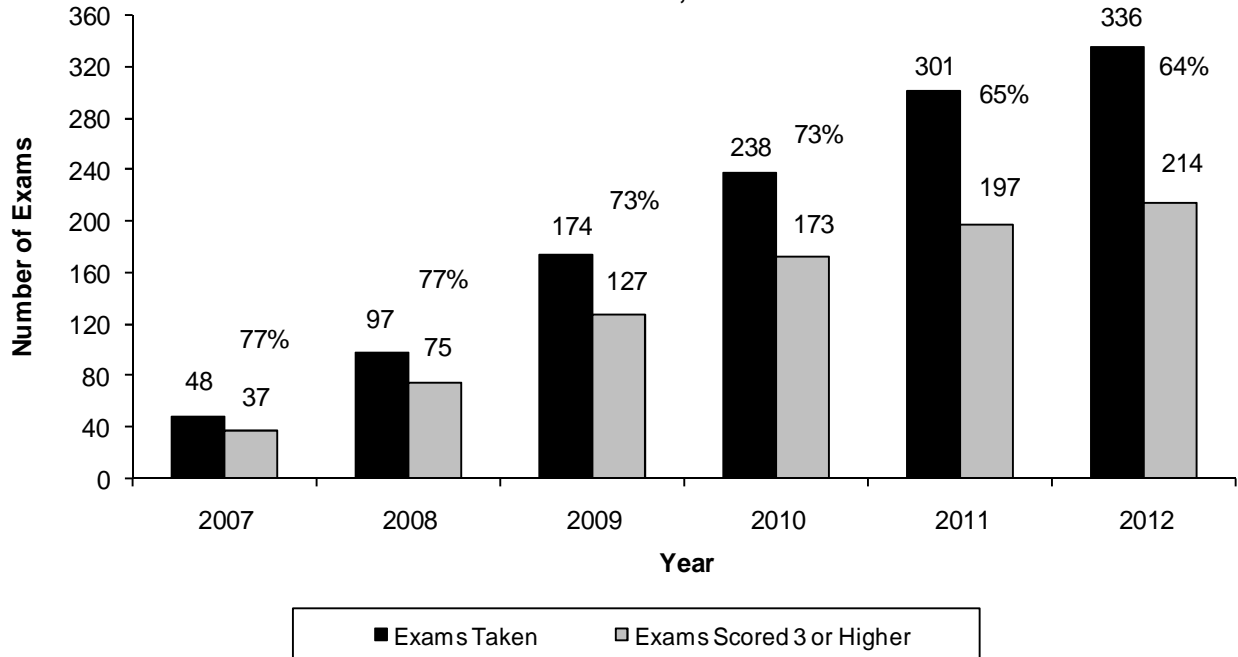
Source: The College Board Reports, 2007–2012. Data reflect the most current information available.

Figure 3. The Number of Middle School Students Taking AP Courses and AP Exams



Source: The College Board Reports, 2011 data disk August 23, 2011; 2012 data disk July 30, 2012. Chancery 2010–2012, End of Year data include only students with “active” status. Data reflect the most current information available.

Figure 4. The Number of AP Exams Taken and Scoring at a 3 or Higher at the Middle School Level, 2007-2012



Note: Pending university or college requirements, students scoring 3 or higher qualify to get college credit, advanced placement, or both.

Source: The College Board Reports, 2007–2012. Data reflect the most current information available.

Table 1: 2010-2011 and 2011-2012 Advanced Placement Campus Data, Grades 10-12								
	2010-2011				2011-2012			
Campus	Percent of Students Taking an AP Course	Number of AP Exams Taken	Number of Exams Scored at 3+	Percent of AP Exams Scored at 3+	Percent of Students Taking an AP Course	Number of AP Exams Taken	Number of Exams Scored at 3+	Percent of AP Exams Scored at 3+
Austin**	17.7	428	69	16.1	27.3	516	105	20.3
Bellaire**	34.9	2,561	2,022	79.0	36.9	2,590	2,128	82.2
Carnegie Vanguard**	100.0	789	494	62.6	100.0	814	533	65.5
Challenge	49.8	239	65	27.2	47.2	217	74	34.1
Chavez**	30.0	856	146	17.1	33.8	944	162	17.2
CLC HS	4.4	13	0	0.0	20.8	6	0	0.0
Davis	24.6	550	113	20.5	29.7	549	114	20.8
DeBakey**	66.5	971	834	85.9	68.0	991	878	88.6
East Early College	86.6	374	45	12.0	55.4	268	58	21.6
Eastwood**	77.3	521	142	27.3	74.7	530	197	37.2
Empowerment**	100.0	11	0	0.0	101.7	63	4	6.3
Energ. E-STEM West	100.0	0	-	-	100.0	66	0	0.0
Energ. E-STEM	100.0	263	18	6.8	100.0	332	1	0.3
Furr	68.8	596	25	4.2	71.1	583	13	2.2
Houston Acad Int'l**	63.6	275	15	5.5	81.1	324	51	15.7
Houston MST**	19.6	478	41	8.6	24.9	788	111	14.1
HSLECJ	73.0	448	60	13.4	83.8	636	62	9.7
HSPVA	76.8	626	286	45.7	77.3	706	305	43.2
Jones	21.4	142	7	4.9	32.1	168	1	0.6
Barbara Jordan**	29.9	344	25	7.3	45.1	394	33	8.4
Kashmere	19.8	127	0	0.0	18.3	112	0	0.0

Table 1 cont'd: 2010-2011 and 2011-2012 Advanced Placement Campus Data, Grades 10-12								
	2010-2011				2011-2012			
Campus	Percent of Students Taking an AP Course	Number of AP Exams Taken	Number of Exams Scored at 3+	Percent of AP Exams Scored at 3+	Percent of Students Taking an AP Course	Number of AP Exams Taken	Number of Exams Scored at 3+	Percent of AP Exams Scored at 3+
Lamar**	28.7	659	84	12.7	33.6	1,095	170	15.5
Lee	25.0	566	118	20.8	30.6	562	53	9.4
Madison	24.7	516	30	5.8	24.7	483	39	8.1
Milby**	20.4	735	160	21.8	25.4	796	185	23.2
Mt. Carmel Academy	33.8	110	8	7.3	22.4	93	7	7.5
N. Houston Early Coll.	56.3	174	97	55.7	50.7	219	19	8.7
Reagan	24.6	531	93	17.5	28.3	709	109	15.4
Scarborough	19.6	191	33	17.3	39.8	281	18	6.4
Sharpstown HS**	34.7	430	13	3.0	38.8	639	79	12.4
Sharpstown Int'l**	77.3	275	21	7.6	67.7	290	38	13.1
South Early C. HS	100.0	48	0	0.0	-	-	-	-
Sterling	24.5	252	9	3.6	22.7	205	3	1.5
Waltrip	29.9	531	92	17.3	31.3	566	98	17.3
Washington	26.5	253	49	19.4	29.2	196	26	13.3
Westbury	23.5	756	100	13.2	35.8	1,039	125	12.0
Westside	47.4	1,973	858	43.5	44.6	1,664	751	45.1
Wheatley**	20.6	173	3	1.7	24.2	316	14	4.4
Worthing	31.0	339	5	1.5	24.8	220	7	3.2
Yates	19.2	241	5	2.1	23.1	162	0	0.0
HISD	31.7	19,367	6,185	31.9	35.7	21,132	6,571	31.1

*Less than 5 exams met the criteria.

**Met goal of increasing both the number of exams taken and percentage scored at 3+.

Note: Only results for students with "active" status as of the last day of the school year were included for analysis. Source for AP data: 2010-2011 from College Board electronic file, August 23, 2011; 2011-2012 from College Board electronic file, July 30, 2012

Table 2: 2010-2011 and 2011-2012 Advanced Placement Campus Data, Grades 8 and 9

	2010–2011				2011–2012			
Campus	Number of Students Taking an AP Course	Number of AP Exams Taken	Number of Exams Scored at 3+	Percent of AP Exams Scored at 3+	Number of Students Taking an AP Course	Number of AP Exams Taken	Number of Exams Scored at 3+	Percent of AP Exams Scored at 3+
Austin	22	24	0	0.0	0	0	-	-
Bellaire	0	15	9	60.0	0	8	6	75.0
Carnegie Vanguard	149	151	85	56.3	175	172	117	68.0
Challenge	115	140	33	23.6	123	151	59	39.1
Chavez	7	157	41	26.1	37	126	36	28.6
Davis	0	2	*	*	0	3	*	*
DeBakey	0	0	-	-	0	1	*	*
East Early College	0	9	6	66.7	0	40	18	45.0
Eastwood	0	11	9	81.8	8	54	32	59.3
Empowerment	0	0	-	-	39	42	5	11.9
Energized E-STEM	0	43	0	0.0	11	23	0	0.0
Furr	68	84	7	8.3	64	65	3	4.6
Hope Acad.	0	1	*	*	0	0	-	-
Houston 9 th C.P.	0	2	*	*	-	-	-	-
Houston Acad Int'l	107	100	2	2.0	2	13	8	61.5
Houston MST	0	2	*	*	0	0	-	-
HSLECJ	7	6	2	33.3	8	8	4	50.0
HSPVA	1	4	*	*	1	1	*	*

Table 2 cont'd: 2010-2011 and 2011-2012 Advanced Placement Campus Data, Grades 8 and 9

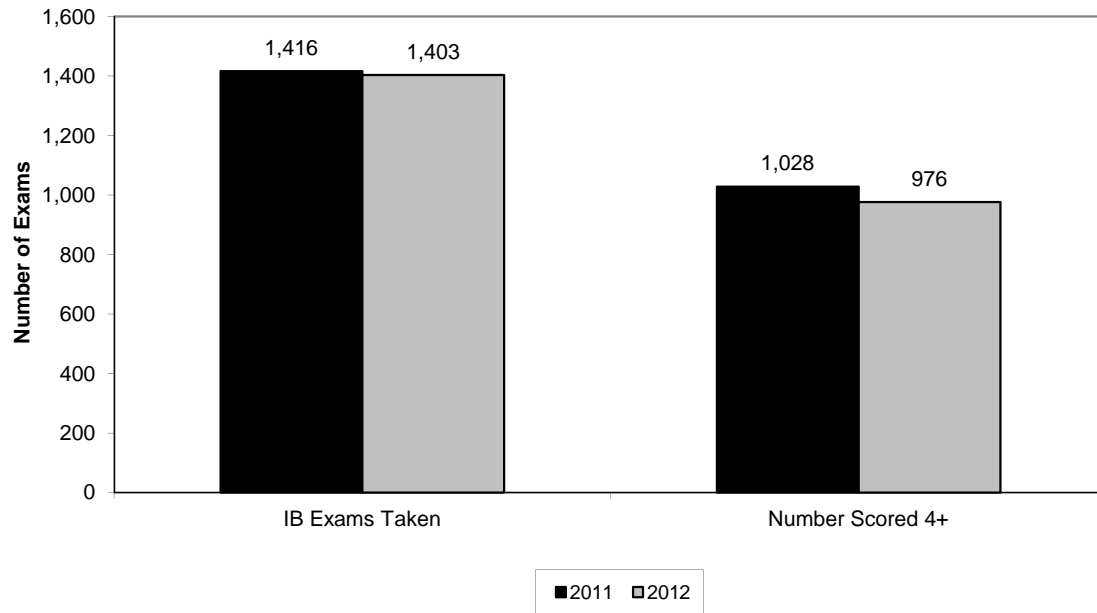
	2010-2011				2011-2012			
Campus	Number of Students Taking an AP Course	Number of AP Exams Taken	Number of Exams Scored at 3+	Percent of AP Exams Scored at 3+	Number of Students Taking an AP Course	Number of AP Exams Taken	Number of Exams Scored at 3+	Percent of AP Exams Scored at 3+
Jones	2	1	*	*	4	2	*	*
Barbara Jordan	0	9	4	44.4	0	7	3	42.9
Kashmere	12	13	0	0.0	0	0	-	-
Lamar	506	488	92	18.9	635	615	75	12.2
Lee	5	9	2	22.2	2	1	*	*
Madison	1	13	0	0.0	62	40	0	0.0
Milby	0	43	12	27.9	1	43	19	44.2
N. Houston Early Coll.	4	50	26	52.0	2	2	*	*
Reagan	26	24	2	8.3	37	12	3	25.0
Scarborough	13	16	0	0.0	36	33	0	0.0
Sharpstown HS	20	21	0	0.0	37	61	7	11.5
Sharpstown Int'l (Gr 9)	72	91	17	18.7	53	61	8	13.1
South Early C. HS	13	14	1	7.1	-	-	-	-
Sterling	6	2	*	*	1	1	*	*
Waltrip	1	10	5	50.0	0	1	*	*
Washington	2	2	*	*	99	55	0	0.0
Westbury	15	104	21	20.2	5	87	18	20.7
Westside	216	283	91	32.1	119	186	85	45.7
Wheatley	28	27	0	0.0	33	29	0	0.0
Worthing	2	3	*	*	6	8	0	0.0
Yates	1	2	*	*	1	0	-	-
YW College Prep	-	-	-	-	77	81	1	1.2

Table 2 cont'd: 2010-2011 and 2011-2012 Advanced Placement Campus Data, Grades 8 and 9								
	2010-2011				2011-2012			
Campus	Number of Students Taking an AP Course	Number of AP Exams Taken	Number of Exams Scored at 3+	Percent of AP Exams Scored at 3+	Number of Students Taking an AP Course	Number of AP Exams Taken	Number of Exams Scored at 3+	Percent of AP Exams Scored at 3+
Burbank MS	98	96	56	58.3	88	97	62	63.9
Hamilton MS	0	0	-	-	-	2	*	*
Jackson MS	10	8	4	50.0	12	12	6	50.0
Johnston MS	26	26	23	88.5	29	29	19	65.5
Lanier MS	12	12	10	83.3	19	27	22	81.5
Long MS	36	34	18	52.9	25	44	27	61.4
Pershing MS	17	20	17	85.0	19	19	12	63.2
Pin Oak MS	24	24	15	62.5	24	24	21	87.5
Project Chrysalis	24	24	22	91.7	0	0	-	-
Revere MS	0	0	-	-	15	16	13	81.3
Sharpstown Int'l (Gr 8)	18	18	12	66.7	0	6	0	0.0
Westbriar MS	15	15	13	86.7	13	12	12	100.0
Wharton	19	19	4	21.1	29	28	16	57.1
HISD	1,720	2,270	668	29.4	1,951	2,348	725	30.9

*Less than 5 exams met the criteria.

Note: Only results for students with "active" status as of the last day of the school year were included for analysis. Source for AP data: 2010-2011 from College Board electronic file, August 23, 2011; 2011-2012 from College Board electronic file, July 30, 2012.

Figure 5: 2011 and 2012 IB Exams Participation and Performance



Note: Exam totals as of September 2012, including only exams that were scored. Total does not include no-shows and pending results.

Office of the Board of Education
Board of Education Meeting of October 11, 2012

Michael Lunceford, President
Board Audit Committee

SUBJECT: PROPOSED REVISIONS TO BOARD POLICIES BBF(LOCAL), BOARD MEMBERS: ETHICS, BBFA (LOCAL), ETHICS: CONFLICT OF INTEREST DISCLOSURES, CAA(LOCAL), FISCAL MANAGEMENT GOALS AND OBJECTIVES: FINANCIAL ETHICS, CH(LOCAL), PURCHASING AND ACQUISITION, AND DBD(LOCAL), EMPLOYMENT REQUIREMENTS AND RESTRICTIONS: CONFLICT OF INTEREST AND ESTABLISHMENT OF BOARD POLICY CHE(LOCAL), PURCHASING AND ACQUISITION: VENDOR RELATIONS-SECOND READING

The Board of Education received a report on March 29, 2012 from Null-Lairson, P.C. on the results of its performance audit related to the Houston Independent School District's (HISD) Contract Recommendation and Awards Processes. The general scope requirements for the performance audit included a review of existing district policies, state laws, and best practices related to procurement. Effective May 1, 2012, the firms of Null-Lairson, P.C. and Whitley Penn, L.L.P. merged. The Board retained Whitley Penn, L.L.P. to prepare draft policy revisions based upon the recommendations contained in their March 29, 2012 report and to meet with members of the Board and administration during the revision process and with the Board Audit Committee and full Board on the proposed policy revisions.

On August 16, 2012, Whitley Penn presented its conclusions after conducting a review of existing HISD policies and analyzing the policies in relation to state laws and regulations, comparable districts in Texas and the United States, and best practices promulgated by authorities including the Internal Revenue Service and the National School Board Association, among others.

A summary of the changes to these policies, including the rationale for making the changes, is shown below:

BBF(LOCAL), *Board Members: Ethics*

- Revisions to clarify overall educational and ethical standards such as:
- Expanded non-discrimination language, and
- Duty to the board, the district, district patrons, students, parents, and district staff members, and
- Appearance of conflict of interest and impropriety, and

- Personal involvement in delegated activities and prudent use of District resources, and
- Continuing education.

BBFA(LOCAL), *Ethics: Conflict Of Interest Disclosures*

- At CAMPAIGN CONTRIBUTIONS BY VENDORS OR OUTSIDE ORGANIZATIONS, non-substantive revision to restate language in definition
- Refined “conflict of interest” definitions and disclosures:
- More accountable and transparent by prohibiting campaign contributions during selected periods (as in CAA(LOCAL) during “Code of Silence” period), and
- Disclose relationships with potential vendors, grantees, or organizations with which the HISD is considering a financial relationship, and
- Debar vendors for 24 months when Trustees failed to disclose conflicts of interest, and
- Appended language for alignment with the Texas Penal Code.

CAA(LOCAL), *Fiscal Management Goals And Objectives: Financial Ethics*

- Revisions for consistency related to conflict of interest, and
- Revisions to non-E-Rate competitive solicitation Code of Silence timeline.

CH(LOCAL), *Purchasing And Acquisition*

- Language revisions to align methods and values with state law thresholds
- Clarification of the sole source definition and notice requirements

CHE(LOCAL), *Purchasing And Acquisition: Vendor Relations*

- New policy created to better define the Board responsibilities and allowable contacts with vendors or organizations with which the District is considering entering into a business or contractual relationship.
- Vendors to provide Conflict of Interest disclosure statements signed under penalty of perjury.

DBD(LOCAL), *Employment Requirements And Restrictions: Conflict of Interest*

- Language aligned with changes in preceding policies outlining district expectations regarding administrative employee relations with and disclosure of interest or potential interest in any contract, purchase, or financial transaction with the district including the appearance of a conflict.

The proposed revised policies and the proposed new policy are attached. Also attached is Status Report of procurement solutions related to external reviews.

COST/FUNDING SOURCE(S): None

STAFFING IMPLICATIONS: None

ORGANIZATIONAL GOALS/IMPACT: This agenda item supports HISD Goal 5: Improve Public Support and Confidence in Schools and is aligned with Core Initiative 5: Culture of Trust through Action.

THIS ITEM DOES REQUIRE CONSULTATION.

THIS ITEM DOES MODIFY AND ESTABLISH BOARD POLICY.

RECOMMENDED: That the Board of Education approve the proposed revisions to Board Policy BBF(LOCAL), *Board Members: Ethics*, BBFA(LOCAL), *Ethics: Conflict Of Interest Disclosures*, CAA(LOCAL), *Fiscal Management Goals And Objectives: Financial Ethics*, CH(LOCAL), *Purchasing and Acquisition*, and DBD(LOCAL), *Employment Requirements And Restrictions: Conflict of Interest* and the establishment of Board Policy CHE(LOCAL), *Purchasing And Acquisition: Vendor Relations*, on second reading, effective October 12, 2012.

BOARD MEMBERS
ETHICS

BBF
(LOCAL)

CODE OF ETHICS

As a member of the Board, I shall promote the best interests of the District as a whole, and, to that end, I shall adhere to the following educational and ethical standards:

1. I shall be fair, just, and impartial in all my decisions and actions.
- 4.2. I shall avoid the appearance of conflict of interest and the appearance of impropriety. [See CAA(LOCAL)]
3. I shall be accountable to the public by representing District policies, programs, priorities, and progress accurately.
- 2.4. I shall base my actions around the foundation of the District's legal and ethical policies and procedures, including bBringing about desired changes through legal and ethical procedures means, consistently upholding and enforcing all laws, State Board of Education rules, and court orders pertaining to schools and the District.
I shall mMake decisions in terms of what is best for the educational welfare of all children-students in the District, regardless of ability, an individual's age, race, color, ancestry, national origin, sex, handicap or disability, marital status, religion, veteran status, political affiliation, sexual orientation, gender identity, and/or gender expression.
- 3.5. I shall rRecognize that decisions must be made by the Board as a whole and make no personal promise or take private action that may compromise the Board, the District, my performance, or my responsibilities.
- 4.6. I shall Ffocus my attention on fulfilling the Board's responsibilities of -action on-policy making, goal setting, planning, and evaluation, and shall insist on regular and impartial evaluation of all staff members.
- 5.7. I shall sSupport and protect school personnel in the proper performance of their duties who are acting in accordance with federal, state and local laws, Board policy, or other applicable criteria.
- 6.8. I shall hHold confidential all matters pertaining to school that, if disclosed, may needlessly injure the District, individuals, or the schools, and respect the confidentiality of information that is privileged under applicable law.
- 7.9. I shall diligently prepare for and aAttend all regularly scheduled Board meetings insofar as possible and shall become

ensure I become informed concerning the issues to be considered at those meetings.

~~8-10.~~ I shall avoid personal involvement in activities the Board has delegated to the Superintendent. Delegate authority for the administration of the school to the Superintendent.

~~9-11.~~ I shall endeavor to make policy decisions only after full discussion at publicly held Board meetings, rendering all decisions based on the available facts rather than supposition, opinion, or public favor. I shall share my views while working for consensus.

~~10-12.~~ I shall, and refuse to surrender my ~~that~~ judgment to individuals or special groups.

~~11-13.~~ I shall encourage the free expression of opinion by all Board members and shall be responsive to the community by seeking its involvement in District affairs and by communicating the priorities and concerns of seek systematic communications between the Board and students, staff members, parents, teachers, and all elements of the community.

~~12-14.~~ I shall truthfully communicate to Board members and the Superintendent, at appropriate times, expressions of public reaction to Board policies and school programs.

~~13-15.~~ I shall seek continuing education that will enhance my ability to fulfill my duties effectively; including becoming informed about current educational issues by individual study and through participation in programs providing needed information, such as those sponsored by state and national school board associations.

~~14-16.~~ I shall refrain from using my Board position for personal or partisan gain.

~~15.~~ Make certain the Board remains responsive to the community.

~~17.~~ As a Board member, I shall remember always that I must remain focused on the my first concern must be the educational welfare of all the students attending the public schools, and the prudent and accountable use of District resources.

Board member agreement to the standards herein shall be documented and agreed upon by his or her signing of BBF(EXHIBIT).

ETHICS
CONFLICT OF INTEREST DISCLOSURES

BBFA
(LOCAL)

EFFECTIVE
SEPTEMBER 16, 2004

After September 16, 2004, the District shall not contract with a business entity in which a Trustee or anyone related to the Trustee in the first degree of consanguinity (blood) or affinity (marriage) as determined under Chapter 573, Government Code, has any pecuniary interest. All such contracts executed prior to the effective date of this policy shall continue to be in full force and effect.

'BUSINESS ENTITY'
DEFINED

"Business entity" shall not include a corporation whose shares are listed on a national or regional stock exchange or traded in the over-the-counter market. "Business entity" shall not include non-profit corporations or religious, educational, and governmental institutions.

The District may contract with business entities excluded from the coverage of this policy. If a Trustee has a substantial interest in any such excluded business entity under the provisions of Chapter 171 of the Local Government Code, the Trustee shall disclose that interest by affidavit and refrain from participating in and voting on the contract or other matter before the Board. [See BBFA(LEGAL)]

ANNUAL REPORT

Each Trustee shall, by 5:00 p.m. on January 15 and July 15 of each year, file with the District's Board Services Office a Board-approved form "Disclosure of Interest Related to the Houston Independent School District." The January 15 report shall cover activities during the preceding six months of July 1 through December 31, and the July 15 report shall cover activities during the preceding six months of January 1 through June 30. The form shall provide, among other matters, disclosure of all direct and indirect interests related to the District, as well as gifts, honorarium, and other payments that are unrelated to services performed or goods furnished by the Trustee from any party who does business with the District or who is interested in doing business with the District. This report shall not require the Trustee to report food, lodging, transportation, or entertainment accepted as a guest, or gifts that have a value of less than \$50 each, excluding cash or a negotiable instrument.

The completion of the Disclosure of Interest Report is independent of a Trustee's legal responsibility to file political contribution reports under Title 15, Election Code.

ANNUAL FINANCIAL
MANAGEMENT
REPORT

Each Board member shall provide in a timely manner to the District information necessary for the District's annual financial management report in accordance with the reporting procedures established by the Commissioner of Education. [See CFA]

E-RATE
MATTERS

In the case of E-Rate matters, governance provided at CAA supersedes these requirements.

ETHICS
CONFLICT OF INTEREST DISCLOSURES

BBFA
(LOCAL)

DEFINITIONS

CONFLICT OF
INTEREST

A “conflict of interest” is any circumstance that could cast doubt on a Trustee’s ability to act with total objectivity with regard to the District’s interests. A Trustee’s loyalty to the District must be free from any conflicting interests.

The implication from the appearance of a conflict of interest is just as important as the implication of a real conflict. If an outside independent party might question the intent of a transaction or relationship, such transaction or relationship is deemed to impact the appearance of a conflict and therefore, should be avoided.

DUTY OF LOYALTY

A “duty of loyalty” is the principle of decisions-making conducted by putting the District’s interests ahead of any other interest.

A conflict arises when the Trustee, or any member of the Trustee’s family or an organization that employs or is about to employ a Trustee or a member of the Trustee’s family, has a substantial financial or other interest in the firm selected for an award. [See Local Government Code Section 171.002 for definition of substantial or other interest.]

TRUSTEE FAMILY

As used herein, “Trustee’s family” shall include persons related to the Trustee by consanguinity (i.e. blood) within the third degree or by affinity (i.e. marriage) within the second degree.

An individual’s relatives within the third degree by consanguinity are the individual’s:

1. Parent or child (i.e. first degree);
2. Brother, sister, grandparent, or grandchild (i.e. second degree); and
3. Great-grandparent, great-grandchild, aunt or uncle who is a sibling of a parent of the individual, nephew or niece who is a child of a brother or sister of the individual (third degree).

Two persons are related to each other by affinity if they are married to each other or if the spouse of one of the persons is related by consanguinity to the other person. This provision shall also include any Trustee’s partner or any other person who resides in the same household.

ENTITY

As used herein, the term “entity” shall apply to any individual, sole proprietorship; business; Board; organization; non-profit corporation; religious, educational, or non-governmental organizations; political action committees; organized labor group and governmental institutions, whether incorporated or not, and their related officers, and/or key employees, and/or other authorized representatives or

ETHICS
CONFLICT OF INTEREST DISCLOSURES

BBFA
(LOCAL)

~~agents and their related entity board officers and employees, that a~~
~~Trustee knows, or has reason to know, has, is interested in or is~~
~~likely to become interested, in, any financial interest such as con-~~
~~tract, purchase, payment, claim or transaction with or against the~~
~~District. Entity herein refers to either a single individual or a collec-~~
~~tive group of individuals.~~

A Trustee is considered to have a conflict of interest when:

- The Trustee, or any member of the Trustee's family, has a
substantial or other interest as a result of the Trustee's posi-
tion with the District; or
- The Trustee has the opportunity to influence the District's
business, administrative, or other material decision in a man-
ner that leads to personal gain or advantage to the Trustee,
the Trustee's family member, or affiliated organization; or
- The Trustee has any existing, or potential financial interest, or
other significant interest, that impairs or might appear to im-
pair the Trustee's independence in the discharge of the Trus-
tee's responsibilities to the District.

Trustees have a duty of loyalty to the District. The duty of loyalty
requires Trustees to put the interests of the District before all other
interests including personal interests or external organizations of
which Trustees may be affiliated. The Board and District recognize
and encourage interactions with other entities, elected officials, ex-
ternal employment, additional public service leadership or volun-
teer service on Bboards that are interested in furthering the goals
and objectives of the District, provided that such interaction does
not interfere with the Trustee's duty of loyalty responsibilities. Any
conflict of interest set forth in this policy, including but not limited to
employment or volunteer leadership service with any organization
or Bboard, whether incorporated or not, shall be subject to the dis-
closure, recusal, and abstention requirements.

CAMPAIGN CONTRIBU-
TIONS BY VENDORS
OR OUTSIDE
ORGANIZATIONS

~~A Trustees must~~shall disclose donations~~a campaign contribution~~
~~and recuse themselves~~himself or herself from voting on a con-
tracts, agreements, or any other District transactions with any enti-
ty financially interested in the outcome of a Board proceedings, if
the entity and its related officers, key employees, and/or other au-
thorized representatives or agents or its related officers and/or key
employees, or representative agent or employee of the entity, have
has provided campaign contributions to the Trustee during the pre-
ceding 12--month period in excess of \$500. Further, an entity that
is financially interested in the outcome~~award of a contract or the~~
outcome of a competitive bidding or purchasing process may not

ETHICS
CONFLICT OF INTEREST DISCLOSURES

BBFA
(LOCAL)

~~makedonate~~ a campaign contributions to a Trustee at any ~~point~~time during the code of silence period, until execution of ~~the~~ an awarded contract by all required parties. [See CAA(LOCAL)]

TRUSTEE GIFTS OR
GRATUITIES

Except as provided herein, Trustees are prohibited from accepting anything of value or benefit including, but not limited to, entertainment, sports tickets, travel, food, and lodging from any entity the Trustee knows or has reason to know, has, is interested in or is likely to become interested in any contract, purchase, payment, claim or transaction with or against the District beyond an aggregate from any entity greater than \$50 in any preceding 12 months to an individual Trustee or the Trustee's family member. Trustees shall disclose all instances where acceptance of over \$50 in benefits from any entity the Trustee knows or has reason to know, has, is interested in or is likely to become interested in any contract, purchase, payment, claim or transaction with or against the District and shall abstain from any vote or decision related to that entity as provided herein. [See ABSTENTION below. See CAA(LOCAL) for specifics related to E-Rate.]

This provision shall not apply to:

- Gifts, things of value, or benefits received because of kinship, or personal, professional, or business relationship independent of the official status of the official. *Penal Code 36.10(a)(2)* [See BBFB(LEGAL)];
- Benefits or things of value to which the Trustee or the Trustee's family member is lawfully entitled;
- Benefits or things of value for which the Trustee gives legitimate consideration in a capacity other than as a Trustee;
- Official functions of HISD;
- Official functions during a formal education conference;
- Functions of nonprofit organizations that are raising funds for the benefit of District students; and
- Honoraria or expenses. [See BBFB(LEGAL)]

DISCLOSURE
REQUIREMENTS

Each Trustee shall, by 5:00 p.m. on January 15 and July 15 of each year, file with the District's Board Services Office a Board-approved form Disclosure of Interest Related to the Houston Independent School District. [See BBFA(EXHIBIT)] The January 15 report shall cover activities during the preceding six months of July 1 through December 31, and the July 15 report shall cover activities during the preceding six months of January 1 through June 30.

ETHICS
CONFLICT OF INTEREST DISCLOSURES

BBFA
(LOCAL)

The form shall provide, among other matters, conflict of interest disclosure of all direct and indirect interests related to the District, as well as gifts, honorarium, and other payments that are unrelated to services performed or goods furnished by the Trustee from any party who does business with the District or who is interested in doing business with the District. Trustee disclosures shall be posted on the District's Web site under Board of Trustees.

The completion of the Disclosure of Interest Report is independent of a Trustee's legal responsibility to file political contribution reports under Title 15, Election Code.

Additionally, as soon as a Trustee learns of a potential conflict of interest as defined herein, but in no event not less than five days from the posting of the agenda or notice of the meeting at which the Board is to take action on a contract that includes a conflict of interest, the Trustee shall disclose the conflict by filing with the District's Board Services Office an updated statement identifying the contract in which the Trustee or the Trustee's spouse-family has a substantial interest. [See BBFA(EXHIBIT)]

At regularly scheduled Board meetings, the Board President shall remind Trustees of the conflict of interest requirements and request disclosure for any matters under consideration on that day's agenda. Furthermore, the Trustee shall excuse himself or herself and abstain from all discussions and votes pertaining to the contract

RECUSAL

In addition to disclosing all conflicts in writing, the Trustee with a conflict of interest, including a conflict related to the duty of loyalty, shall disclose the conflict and refrain from participating in any discussion regarding any contract, proposed contract, or transaction that will provide a monetary benefit to any entity in which the Trustee has a conflict of interest.

ABSTENTION

In addition to disclosure and recusal from any discussion of a contract or transaction in which a Trustee has a conflict, the Trustee shall also abstain from any vote or decision on any matter involving the conflict.

See BBE(LOCAL) regarding Board actions regarding questions, concerns, or issues related to ~~Board member~~ Trustee conflict of interest disclosures, ~~Board member~~ Trustee voting on contract awards, and/or any related questions regarding conflicts among ~~Board members~~ Trustees as well as provisions for complaints against ~~Board members~~ Trustees.

If a Trustee discloses that he or she has a conflict of interest in a matter before the Board and has properly recused himself or herself, the remaining Trustees, if determined appropriate, may inquire

ETHICS
CONFLICT OF INTEREST DISCLOSURES

BBFA
(LOCAL)

and review all material facts related to the transaction to confirm that the transaction is a benefit to the District. The Board may make inquiries to determine the following:

- Whether the Trustee with a conflict attempted to or did exercise influence over District staff members to encourage the District to proceed with the matter.
- For contracts or procurement, whether District staff members employed best practices and complied with district policies related to competitive bidding. This includes ensuring staff members complied with competitive bidding advertising and proposal solicitation requirements; have documented that their selection was made in accordance with the criteria published in the Request for Proposal or Invitation to Bid; and that staff have attested that the decision-making process was free from undue influence from Board members, Trustees and other administrative staff.
- Whether the benefit provided to the conflicted organization under consideration, or directly or indirectly to the disqualified Trustee, exceeds the value of the consideration received by the District.
- For grants, whether the District used specific criteria published in advance to weigh the merits of various applicants and to make decisions about grants that are in the best interests of the District's students.

The Board may request the assistance of the District's Office of Inspector General (OIG) and or legal counsel in making its inquiries to ensure that it is receiving an objective opinion and that the facts under consideration are not biased.

If the Board determines, after reasonable inquiry under the circumstances, that the District could not have obtained a better arrangement with other best value in accordance with the established criteria from another vendors or organizations, and that the proposed transaction or contract meets the Board's requirement to exercise oversight over the prudent and accountable use of District resources, the Board may then approve the transaction or contract through by a majority vote (without the disqualified Trustee) of those Trustees present and voting.

MONITORING
CAMPAIGN
RECEIPTS

Trustees shall submit copies of each potential campaign contribution to Board Services prior to formal acceptance or cashing such funds. Submissions shall be made within seven business days of check date, or prior to any vote on any related contracts for contributions from an entity associated with the District, whichever oc-

ETHICS
CONFLICT OF INTEREST DISCLOSURES

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curs first. Where the contributor is determined to be an entity associated with the District, the cumulative amounts for each respective entity taken as a whole shall be accumulated for the preceding 12-month period. Results shall be provided to the respective Trustee, Board President, and Superintendent. The Trustees shall have final authority to accept or reject each contribution. Once the threshold is reached as detailed in this policy, the applicable Trustee, Board President, and Superintendent shall be informed that the maximum campaign receipt limit has been reached and the Trustee is no longer eligible to vote on any contract with such vendor/service provider. [See CAMPAIGN CONTRIBUTION BY VENDORS OR OUTSIDE ORGANIZATIONS above] Actions of the Board meeting shall be recorded in the minutes.

CONSEQUENCES OF
FAILURE TO DISCLOSE

Failure by a Trustee to disclose such interest may result in the debarment, for 24 months, of any such vendor. Nothing in this policy excuses a vendor from strict compliance with CHE(LOCAL).

REMEDY FOR
INADVERTENT
FAILURE TO DISCLOSE

In the event of an inadvertent failure of by a Trustee to disclose such conflict, the Board, by a majority vote (without the disqualified Trustee) of those Trustees present and voting, may reinstate a vendor's privileges/eligibility to be considered as providing best value in accordance with the established criteria for a transaction or contract.

FINANCIAL INTEGRITY

The use of District funds or assets for any unethical purpose is prohibited.

GRANDFATHERED
CONTRACTS

All contracts executed prior to the effective date of this policy shall continue to be in full force and effect. Upon termination of the current contract term, this policy shall be applied to any contract renewal.

ANNUAL FINANCIAL
REPORT

Each Board member shall provide in a timely manner to the District information necessary for the District's annual financial management report in accordance with the reporting procedures established by the Commissioner of Education. [See CFA]

E-RATE MATTERS

In the case of E-Rate matters, governance provided at CAA supersedes requirements herein.

CANDIDATES

Candidates who have filed for election to the Board of Education are subject to the limitations herein after the date on which the candidate has filed for office.

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This introductory page outlines the contents of this policy on financial ethics. See the following sections for provisions on:

SECTION I	General Provisions	page 2
	1. Summary of related financial ethics governance documents	
SECTION II	Fraud and Financial Impropriety	pages 2 –5
	1. Definition	
	2. Financial controls and oversight	
	3. Fraud prevention	
	4. Fraud investigations	
SECTION III	E-Rate Compliance Policy	pages 5–11
	1. Definitions	
	2. E-Rate goods and services	
	3. Disclosure of interest	
	4. Code of silence period	
	5. Monitoring and compliance review	
	6. Education and training	
SECTION IV	Standard Bidding and Contracting	pages 11–14
	1. Code of silence	
	2. Procurement methods	
	3. Time period	
	4. Violation	
	5. Formal Complaints	

SECTION I: GENERAL PROVISIONS

All Trustees, employees, vendors, contractors, consultants, volunteers, and any other parties who are involved in the District's financial transactions shall act with integrity and diligence in duties involving the District's fiscal resources.

Note: See the following policies and/or administrative regulations regarding conflicts of interest, ethics, and financial oversight:

- Code of ethics:
for Board members—BBF
for employees—DH
- Financial conflicts of interest:
for public officials—BBFA
for all employees—DBD
- Financial conflicts involving federal funds: CBB
- Systems for monitoring the District's investment program: CDA
- Budget planning and evaluation: CE
- Compliance with accounting regulations: CFC
- Activity fund management: CFD
- Criminal history record information for employees: DC
- Disciplinary action for fraud by employees: DCD, DCE, and DF series

SECTION II: FRAUD AND FINANCIAL IMPROPRIETY

The District prohibits fraud and financial impropriety, as defined below, in the actions of its Trustees, employees, vendors, contractors, consultants, volunteers, and others seeking or maintaining a business relationship with the District.

DEFINITION

Fraud and financial impropriety shall include but not be limited to:

1. Forgery or unauthorized alteration of any document or account belonging to the District.
2. Forgery or unauthorized alteration of a check, bank draft, or any other financial document.

FISCAL MANAGEMENT GOALS AND OBJECTIVES
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3. Misappropriation of funds, securities, supplies, or other District assets, including employee time.
4. Impropriety in the handling of money or reporting of District financial transactions.
5. Profiteering as a result of insider knowledge of District information or activities.
6. Unauthorized disclosure of confidential or proprietary information to outside parties.
7. Unauthorized disclosure of investment activities engaged in or contemplated by the District.
8. Accepting or seeking anything of material value from contractors, vendors, or other persons providing services or materials to the District, except as otherwise permitted by law or District policy. [See DBD]
9. Inappropriately destroying, removing, or using District property, including but not limited to records, furniture, fixtures, or equipment, except as authorized by District policy.
10. Failure to provide financial records required by state or local entities.
11. Failure to disclose conflicts of interest as required by law or District policy.
12. Any other dishonest act regarding the finances of the District.

FINANCIAL CONTROLS
AND OVERSIGHT

Each employee who supervises or prepares District financial reports or transactions shall set an example of honest and ethical behavior and shall actively monitor his or her area of responsibility for fraud and financial impropriety.

FRAUD PREVENTION

The Superintendent or designee shall maintain a system of internal controls to deter and monitor for fraud or financial impropriety in the District.

REPORTS

Any person who suspects fraud or financial impropriety in the District shall do one of the following:

1. Report the incidents to the office of the inspector general;
2. Report the suspicions immediately to any supervisor;
3. Call the District's 24-hour *Alertline*;
4. Call the District's 24-hour E-Rate Whistleblower hotline;
5. Report the suspicions to the Superintendent or designee; or

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6. Report the incident to the Office of Professional Standards.

Reports of suspected fraud or financial impropriety shall be treated as confidential to the extent permitted by law. Limited disclosure may be necessary to complete a full investigation or to comply with law. All employees involved in an investigation shall be advised to keep information about the investigation confidential with the exception that any employee represented by a lawyer or other designated representative for purposes of the investigation may share information in furtherance of that representation.

PROTECTION
FROM
RETALIATION

Neither the Board nor any District employee shall unlawfully retaliate against a person who in good faith reports perceived fraud or financial impropriety. [See DG]

FRAUD
INVESTIGATIONS

In coordination with legal counsel and other internal or external departments or agencies, as appropriate, the Superintendent, Board President, or a designee shall promptly investigate reports of potential fraud or financial impropriety.

RESPONSE

If an investigation substantiates a report of fraud or financial impropriety, the Superintendent or designee shall promptly inform the Board of the report, the investigation, and any responsive action taken or recommended by the administration.

If an employee is found to have committed fraud or financial impropriety, the Superintendent or designee shall take or recommend appropriate disciplinary action, which may include termination of employment. If a contractor, vendor, consultant, volunteer, or other party involved in the District's financial transactions is found to have committed fraud or financial impropriety, the District shall take appropriate action, which may include cancellation of the District's relationship with that party.

When circumstances warrant, the Board, Superintendent, or designee may refer matters to appropriate law enforcement or regulatory authorities. In cases involving monetary loss to the District, the District may seek to recover lost or misappropriated funds.

The final disposition of the matter and any decision to file a criminal complaint or to refer the matter to the appropriate law enforcement or regulatory agency for independent investigation shall be made in consultation with legal counsel.

ANALYSIS OF FRAUD

After any investigation substantiates a report of fraud or financial impropriety, the Superintendent or designee shall analyze conditions or factors that may have contributed to the fraudulent or improper activity. The Superintendent or designee shall ensure that appropriate administrative procedures are developed and imple-

mented to prevent future misconduct. These measures shall be presented to the Board for review.

SECTION III: E-RATE COMPLIANCE POLICY

The E-Rate compliance policy specifically incorporates the requirements of the E-Rate settlement agreement, Appendix D– Compliance Agreement Regarding E-Rate, Internal Controls, Monitoring and Audit Requirements for the Houston Independent School District (“E-Rate compliance policy”). The Superintendent shall approve detailed regulations or procedures as needed to implement the provisions of this E-Rate compliance policy.

The Superintendent or designee shall establish a system of internal controls that ensures high-level management oversight and appropriate review of all District E-Rate program activities.

DEFINITIONS

E-Rate Employee is defined, per the Compliance Agreement as:

E-RATE EMPLOYEE

- All District officers, Board members, and employees involved in any aspect of the E-Rate Program.
- Contractors (except for service providers that provide E-Rate-supported services to the District), consultants, and other entities and individuals involved on behalf of the District with the E-Rate Program, including individuals who:
 - Prepare, review, approve, sign, or submit E-Rate applications, technology plans, or other forms related to the E-Rate Program, or
 - Determine whether services are eligible for funding, prepare bids, or communicate or work with E-Rate Service Providers, E-Rate consultants, or USAC.
- District Inspector General staff members responsible for auditing and monitoring the District’s compliance with the terms of this E-Rate Compliance Agreement and with E-Rate Program Rules.

E-RATE VENDOR/SERVICE PROVIDER

E-Rate Vendor/service provider is defined as any external entity or individual involved in any aspect of the District’s E-Rate Program, including, but not limited to:

- Parent company;
- Subsidiary companies;
- Joint ventures;
- Resellers;

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- Consultants/contractors of the above entities;
- Board members/officers/owners of the above entities; and
- Employees/representatives/salespersons of the above entities.

A list of E-Rate vendors/service providers for the District are provided in CAA(EXHIBIT).

E-RATE GOODS AND
SERVICES

The Superintendent or designee shall establish procedures to ensure that the competitive bidding process for E-Rate goods and services is "fair and open," and consistent with the rules and requirements of the Federal Communications Commission (FCC).

GIFTS AND
CONFLICTS OF
INTEREST

The implication from the appearance of a conflict of interest is just as important as the implication from a real conflict. If an outside independent party might question the intent of a transaction or relationship, such transaction or relationship is deemed to impact the appearance of a conflict and therefore, should be avoided.

E-Rate Program employees and Board members are prohibited from accepting gifts, meals, entertainment, or anything of value from any outside entity, or any consultant or other individual representing such an entity that provides or seeks to provide goods or services pursuant to the E-Rate Program, either directly or through any entity associated with the E-Rate vendor/service provider. An exception applies for items of *de minimis* intrinsic value, such as single greeting cards, basic key chains, and basic pens.

Where an E-Rate vendor/service provider ignores the E-Rate employee or Board member rejection of a gift, entertainment, or anything of value, such items shall either be immediately returned to the vendor with an explanation that such items are not allowed pursuant to District policy or immediately submitted to the Inspector General's Office for proper disposal or donation to a charitable entity as determined by the Superintendent or designee. The Inspector General shall log the details of such occurrences, including disposition of items. Such log shall be provided to the E-Rate Compliance Officer monthly. Furthermore, E-Rate employees and Board members shall report to the E-Rate Compliance Officer all cases where gifts, entertainment, or other items of value have been offered by an E-Rate vendor/service provider. The E-Rate Compliance Officer shall take the appropriate steps to log the details of such occurrences, including any disposition of items, and communicate the District's policy to such E-Rate vendor or service provider. In addition, the E-Rate Compliance Officer shall request such vendor or service provider certify his or her understanding of the

FISCAL MANAGEMENT GOALS AND OBJECTIVES
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District's policy or risk exclusion from the District's E-Rate Program.

The E-Rate Compliance Officer shall design specific language asserting the District's policy and coordinate such with the District's Legal Services and Procurement Departments to incorporate the language in future E-Rate Requests for Proposals and contracts and communication of such to all E-Rate participants.

Any questions regarding gifts and conflicts of interests should be communicated to the E-Rate Compliance Office or E-Rate Hotline at 1-800-483-2757.

CAMPAIGN
RECEIPTS AND
BUSINESS
RELATIONSHIPS

Board members shall not knowingly accept campaign contributions from E-Rate vendors/service providers, including related officers and/or key employees. "Business relationship" is defined as a Board member's acceptance or receipt of amounts in excess of \$2,000 in a single calendar year in the course of any business dealings with an E-Rate vendor, consultant, or individual representing such an entity.

In the event that monetary receipts from E-Rate vendors/service providers, related officers, and/or key employees are made to a Board member, that Board member shall be prohibited from voting on specific E-Rate contracts for three years if:

- Cumulative funds in excess of \$500 in campaign contributions in a single calendar year are received from an E-Rate vendor/service provider taken as a whole, or
- Cumulative funds in excess of \$2,000 in a single calendar year in the course of any business relationship are received from an E-Rate vendor/service provider taken as a whole.

MONITORING
CAMPAIGN
RECEIPTS

Board members shall submit copies of each potential campaign contribution to Board Services prior to formal acceptance or cashing such funds. Submissions shall be made within seven business days of check date, or prior to any vote on any related contracts for contributions from known E-Rate vendor/service providers, whichever occurs first. Board Services and the E-Rate Compliance Officer shall research such items against the current E-Rate vendor/service provider listing and public records within 15 business days of receipt by the District to identify contributions from sources that require monitoring. All such contributions provided to Board Services shall be logged and their final disposition noted. Where the contributor is determined to be an E-Rate vendor/service provider, related officer, and/or key employee, the cumulative amounts for each respective E-Rate vendor/service provider taken as a whole shall be prepared on a calendar year basis. Upon comple-

FISCAL MANAGEMENT GOALS AND OBJECTIVES
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tion of such research, Board Services shall provide the results and a copy of the campaign fund cumulative activity report to the respective Board member, Inspector General, and E-Rate Compliance Officer. The Board members shall have the final authority to reject or accept each contribution. Once the \$500 threshold is reached, the Superintendent and the President of the Board of Education shall be informed by Board Services that the maximum campaign receipt limit has been reached and the Board member is no longer eligible to vote on any contract with such E-Rate vendor/service provider for a three-year period from the date the maximum campaign contribution was dated; not deposited. Such action shall be dually recorded in the minutes, and future Board votes monitored by the Board President.

MONITORING
BUSINESS
RELATIONSHIPS

Board members shall report details of any business relationship with E-Rate vendors/service providers, related officers, and/or key employees to Board Services. Details shall include company or related officer and/or key employee's name, date(s) of business transaction(s), and dollar amount(s). Report of such shall be made within seven business days of transaction date, or prior to any vote on any related contracts with known E-Rate vendor/service providers, whichever occurs first. All such reports provided to Board Services shall be logged, and cumulative transaction amounts for each respective E-Rate vendor/service provider taken as a whole shall be prepared on a calendar year basis. Board Services shall provide a copy of the cumulative transaction report to the respective Board member, Inspector General, and E-Rate Compliance Officer. Once transactions from an E-Rate vendor/service provider to a Board member reach a total of \$2,000 in a single calendar year, the Superintendent and the President of the Board of Education shall be informed by Board Services that the annual maximum limit has been reached and the Board member is no longer eligible to vote on any contract with such E-Rate vendor/service provider for a three-year period from the date the maximum amount was reached as determined by transaction date; not deposit date. Such action shall be dually recorded in the minutes, and future Board votes monitored by the Board President.

Any questions regarding campaign receipts and business relationships should be communicated to the E-Rate Compliance Office or E-Rate Hotline.

AUDIT
RESPONSIBILITY

The Inspector General shall consider campaign receipts and business relationships in its routine risk assessment for inclusion in the annual internal audit plan where appropriate.

DISCLOSURE OF
INTEREST

Board members shall complete the District's Disclosure of Interest Form covering E-Rate matters on January 15 and July 15 of each

FISCAL MANAGEMENT GOALS AND OBJECTIVES
FINANCIAL ETHICS

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year. The January report covers the period July 1 through December 31 of the previous year and the July report covers the period January 1 through June 30 of the current year. The Disclosure of Interest Form shall be submitted to Board Services, who will distribute to the E-Rate Compliance Officer for review and any necessary follow-up. This form shall be retained by Board Services.
[See CAA(EXHIBIT)]

CODE OF SILENCE
PERIOD

E-Rate Program employees and Board members, to the best of their knowledge, shall not communicate with any E-Rate vendor/service provider, related officers, and/or key employees for a 30-day calendar period prior to the issuance of a Request for Proposal (RFP). Once a request for proposal is issued and until contract execution, E-Rate Program employees and Board members shall not communicate with any E-Rate vendor/service provider, related officers, and/or key employees except for certain limited conditions allowed to the Procurement Department as provided by the Compliance Agreement. The quiet period does not apply to communications regarding existing E-Rate contracts or day-to-day operational matters.

MONITORING AND
COMPLIANCE
REVIEW

The Superintendent or designee shall establish a system of internal monitoring and compliance review, including the steps to be taken if any person suspects that:

1. Any bid, proposal, or submission for E-Rate funding or other E-Rate Program-related conduct is not in accordance with the District's E-Rate compliance policy; Board policy; with District-approved procurement procedures; local, state, or federal competitive bid statutes; other applicable laws, regulations, and procedures; or with E-Rate program rules and requirements;
2. Any gifts or other items of value have been offered or received by any party associated with, seeking to participate in, or otherwise involved in the District's E-Rate Program; or
3. The District or any of its E-Rate vendors has improperly requested payment for goods or services not provided, or has overcharged for E-Rate goods and services.

As part of its monitoring and compliance review, a Universal Service Administration Company (USAC) whistleblower hotline shall be publicized to allow anonymous reports of known, alleged, or suspected noncompliance. Such hotline shall be monitored, and investigation results shall be reported to the Inspector General, E-Rate Compliance Officer, and Superintendent in a timely manner.

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EDUCATION AND
TRAINING

The Superintendent or designee shall require education and training for all E-Rate Program employees.

The training shall incorporate the following:

1. Training materials available from USAC;
2. Information about E-Rate Program Rules (as periodically updated);
3. The District's E-Rate Compliance Policy;
4. Applicable federal, state, and local procurement laws;
5. The District's conflict of interest and gift policies and the prohibition on gifts and other things of value;
6. E-Rate program rules regarding submission of invoices to USAC;
7. Commission rules and orders requiring a "fair and open" competitive bidding process; and
8. Consequences of noncompliance with E-Rate Program Rules, including cancellation of commitments, recoupment of disbursed E-Rate funds, suspension and debarment from the E-Rate Program, criminal and civil prosecution, and appropriate disciplinary action, which may include termination of employment.

As part of the E-Rate training program, the Superintendent or designee shall require all E-Rate Program Employees to receive and review USAC's weekly "Schools and Libraries News Brief." The E-Rate Compliance Officer and other appropriate District representatives responsible for ensuring compliance with the E-Rate Program Rules and Requirements and the E-Rate Compliance Agreement shall attend the applicant training session that USAC offers annually.

The District shall require all E-Rate Program employees to certify that they have attended training, and the E-Rate compliance officer shall retain those certifications in accordance with record retention requirements set forth in 47 CFR 54.516, and also in accordance with the guidance in the Schools and Libraries Universal Service Support Mechanism, Fifth Report and Order, 19 FCC Rcd 15808, 15823-25 (2004).

COMPLIANCE
OFFICER

The Superintendent shall appoint a high-level District employee to serve as the E-Rate Compliance Officer, who shall be responsible for implementing the E-Rate Compliance Agreement and enforcing the E-Rate Compliance Policy. The E-Rate Compliance Officer

FISCAL MANAGEMENT GOALS AND OBJECTIVES
FINANCIAL ETHICS

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shall report directly to the Superintendent. The E-Rate Compliance Officer and any employees under his or her immediate supervision shall not be affiliated with or compensated by any service provider, consultant, or other outside entity with whom the District does business related to the E-Rate Program. The E-Rate Compliance Officer shall have experience or shall obtain the necessary training in substantive areas, including procurement, to satisfy all of the obligations set forth in the E-Rate Compliance Agreement outlining the roles and responsibilities of the E-Rate Compliance Officer.

ANNUAL AUDIT

The Board shall direct the inspector general to include within his or her annual scope of work the audit requirement outlined in the E-rate compliance agreement. The District may hire a third-party auditor to perform any required audits.

The District shall annually obtain and pay for an independent (i.e., third-party) audit, including an audit report (Independent Audit Report), of the District's compliance with the E-Rate Compliance Agreement, the E-Rate Compliance Policy, E-Rate Program Rules and Requirements, and all state and local procurement rules related to the applicable E-Rate Program Funding Year. The annual audit shall comply with the requirements set forth in the E-Rate Compliance Agreement.

REFERENCES

See CAA(EXHIBIT) for a list of E-Rate vendors/service providers, including related officers and/or key employees, which is updated at least quarterly, and the Board Members' Disclosure of Interest form.

SECTION IV: STANDARD BIDDING AND CONTRACTING

CODE OF SILENCE

PURPOSE

DEFINITION

The District shall implement a "Code of Silence" to enforce its commitment to ethical contracting standards and improve accountability and public confidence.

It is important to avoid both the appearance of conflicts and actual conflicts of interest.

CONFLICTS OF INTEREST

The implication from the appearance of a conflict of interest is just as important as the implication from a real conflict. If an outside independent party might question the intent of a transaction or relationship, such transaction or relationship is deemed to impact the appearance of a conflict and therefore, should be avoided. Circumstances related to an appearance of conflict include those that would cause a reasonable and informed third party, having knowledge of the relevant information, to reasonably conclude that a Board member or administrator has compromised objectivity related to a vendor relationship. [See BBFA]

FISCAL MANAGEMENT GOALS AND OBJECTIVES
FINANCIAL ETHICS

CAA
(LOCAL)

For purposes of this policy, “vendor’s representative” shall mean an employee, partner, director, board member or officer of a potential vendor or consultant, lobbyist, or actual or potential subcontractor of a vendor, or any other individual, or for profit or non-profit organizations acting through or on behalf of any person seeking an award or on behalf of a group of interested individuals or members.

PROCUREMENT
METHODS

Texas Education Code Section 44.031 allows for the purchase of goods and services through one of the following methods: competitive bidding for services other than construction services; competitive sealed proposals for services other than construction services; a request for proposals for services other than construction services or a method provided by Government Code Chapter 2267 for construction services or any other procurement method authorized by state law.

The code of silence period applies to the acquisition of goods or services using the procurement methods identified above as well as renewal periods for contracts previously awarded by the Board of Education with multiple one-year renewal options.

APPLICABILITY

“Code of Silence” shall mean a prohibition on any communication regarding any RFP, bid, or other competitive solicitation (as defined in the procurement methods above) between:

1. Any person who seeks an award from the District or its affiliated entities (including, but not limited to, the HISD Foundation and the HISD Public Facility Corporation), including a potential vendor or vendor’s representative; and
2. Board member, the Superintendent, senior staff member, principal, department head, director, manager, or other District representative who has influence in the evaluation or selection process

Furthermore, campaign contributions, gifts, donations, and any other items of value are prohibited between the parties defined above for any known contract under consideration during the Code of Silence period. Also, candidates who have filed for election to the Board of Education are subject to these limitations after the date on which the candidate has filed for office. HISD will review historical Campaign Finance reports to identify campaign contributions for the applicable period and hold newly elected Board members accountable as existing Board members during the Code of Silence period.

EXCEPTION

The “Code of Silence” shall not apply to communication with the District’s General Counsel, Finance Attorney, Procurement Project Manager, General Manager of Procurement, General Manager of

FISCAL MANAGEMENT GOALS AND OBJECTIVES
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(LOCAL)

Business Assistance, Supplier Diversity Specialists, Controller, Assistant Controller, Chief Financial Officer, who are not serving on the particular Procurement Committee, or the Office of the Inspector General or employees reporting to the Inspector General. Such communications shall be limited to the purpose of obtaining clarification or information concerning the subject solicitation. An exception also applies to the Audit Committee of the Board of Education, other specific members of the Board of Education for the purposes of the selection of external auditors or the Board's legal counsel, and any other specific circumstances approved by the Board of Education.

TIME PERIOD

The "Code of Silence" time period shall begin ~~30 calendar days prior to~~ upon the issuance of an RFP, bid, or other competitive solicitation (as defined under procurement method above) and will officially end upon execution of the awarded contract by all required parties. A weekly e-mail notification shall be sent to the Board of Education, Superintendent, senior staff member, department head, director, manager, or other district representative who has influence in the evaluation or selection process for each RFP, RFP renewal, bid, or other competitive solicitation and shall remain in effect until the execution of the awarded contract by all required parties. The Office of Finance shall also provide public notice on the District's Web site at the same time the e-mail notification is sent.

Regardless of the above time period, it is not acceptable for a potential vendor to participate in determining the scope of work, strategic direction, technical specifications, or evaluation criteria of such projects.

Nothing contained in this policy shall prohibit any potential vendor or vendor's representative from:

1. Making public representations at scheduled pre-bid conferences or scheduled selection and negotiation committee meetings;
2. Engaging in contract negotiations during any scheduled ~~public~~ meeting;
3. Making a public presentation to the Board during any duly noticed public meeting; or
4. Conducting business on contracts previously executed and currently in force.

The potential vendor or vendor's representative shall send all written communication directly to the designated Procurement Project Manager.

FISCAL MANAGEMENT GOALS AND OBJECTIVES
FINANCIAL ETHICS

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(LOCAL)

Nothing in this policy shall prohibit the Procurement Committee's representative from initiating a contact with a potential vendor or vendor's representative and subsequent communication related thereto for the purposes of obtaining further clarifying information regarding a response to an RFP, bid, or competitive solicitation. Such contact shall be in writing and shall be provided to the members of the applicable Procurement Committee, including any response thereto.

VIOLATION

Any suspected violation of this policy shall be investigated by the Inspector General or an outside law firm and may result in any recommendation for award, or any RFP, bid, or other competitive solicitation award, or bid award to the potential vendor, or vendor's representative, or may result in a vendor's contract being deemed void or voidable. The potential vendor or vendor's representative determined to have violated this rule shall be subject to debarment from bidding and contracting activities of current and future projects for a period up to two calendar years (24 months). In addition to any other penalty provided by law, violation of this rule by a District employee shall subject the employee to disciplinary action up to and including dismissal. Board members and candidates who have filed for election to the Board, who have violated the Code of Silence and/or received campaign contributions, gifts, donations, or any other items of value from such Vendor Representatives during the Code of Silence, shall abstain from voting of such matters for a period up to two calendar years (24 months).

In the event that a Board Member or candidate unknowingly accepts a campaign contribution, gift, donation, or any other item of value from a Vendor Representative during the Code of Silence, it shall be their duty to return the contribution within ten days after becoming aware of the conflict with this policy.

FORMAL
COMPLAINTS

This policy is not intended to prohibit contractors and their representatives from issuing formal complaints or concerns about potential conflicts of interest during the Code of Silence. Such concerns should be communicated to the Inspector General.

PURCHASING AND ACQUISITION

CH
(LOCAL)

BUSINESS
DEVELOPMENT AND
ASSISTANCE

In accordance with the District's Affirmative Action Policy adopted on October 21, 1988, all purchases shall follow the guidelines specified in the *Business Assistance Plan for Houston ISD* document. The goal level for minority/women business enterprises shall be set at 20 percent for purchases of material, supplies, and equipment and at 15 percent for construction-related projects. For professional service contracts, the goal level shall be set by the using department and the Business Development and Assistance Department in the range of 25–35 percent. A copy of the *Special Conditions for Minority/Women Business Enterprises - Purchasing or Construction* shall be included in all purchasing bid documents for bids over \$10,000 and greater than \$25,000 for construction and professional services.

The Procurement Services and Business Development and Assistance Departments shall actively foster relationships with minority/women business enterprises to improve the business climate and the quality of life in the community as well as sound procurement.

[See the *Finance Procedures Manual* for additional information regarding purchasing and acquisition]

PURCHASING
AUTHORITY

The Superintendent or designee shall have the authority to determine the method of purchasing to be used, in accordance with CH (LEGAL), and to make budgeted purchases unless:

1. State law requires the Board to make or approve a purchase, or
2. The purchase costs or aggregates to a cost of at least \$100,000, an amount that shall require Board approval.
- 2.3. No employee other than the Superintendent or designee shall be authorized to sign contracts that obligate the District. Specific authority delegated to any designee shall be in accordance with administrative regulation CH(REGULATION).

EMERGENCY
PURCHASES

The Board delegates to the Superintendent authority for approving emergency purchases and/or repairs in amounts up to \$100,000, provided that any such items are presented to the Board at its next regular scheduled meeting for ratification. [See also CH(LEGAL), CV(LOCAL)]

PURCHASES VALUED
AT OR ABOVE \$540,000

All District contracts valued at \$10,000\$50,000 or more shall be made in accordance with the methods permitted by *Education Code 44.031(a)*. [See CH(LEGAL)]

PURCHASING AND ACQUISITION

CH
(LOCAL)

EXCEPTION	<p>A contract or agreement for Districtwide initiatives valued at \$10,000 but less than \$50,000 shall not be subject to the provisions at PURCHASES VALUED AT OR ABOVE \$10,000. The Board delegates to the Superintendent authority to approve contracts for Districtwide initiatives provided that any such contract or agreement approved by the Superintendent is presented to the Board for ratification at its next regular scheduled meeting.</p>
COMPETITIVE BIDDING	<p>If competitive bidding is chosen as the purchasing method, the Superintendent or designee shall prepare bid specifications. The bid shall be advertised in accordance with Education Code 44.031(g). [See CH(LEGAL)] All bids shall be submitted in sealed envelopes, plainly marked with the name of the bidder and the time of opening. All bidders shall be invited to attend the bid opening. Any bid may be withdrawn prior to the scheduled time for opening. Bids received after the specified time shall not be considered.</p> <p>The District reserves the right to reject any and all bids.</p>
COMPETITIVE SEALED PROPOSALS	<p>If competitive sealed proposals are chosen as the procurement method, the Superintendent or designee shall prepare the request for proposals and/or specifications for items to be purchased. The proposal shall be advertised in accordance with Education Code 44.031(g). All proposals shall be submitted in sealed envelopes, plainly marked with the name of the proposer and the time of opening. Proposals received after the specified time shall not be considered. Proposals shall be opened at the time specified, and all proposers shall be invited to attend the proposal opening. Proposals may be withdrawn prior to the scheduled time for opening. Changes in the content of a proposal, and in prices, may be negotiated after proposals are opened.</p> <p>The District reserves the right to reject any and all proposals.</p>
RESPONSIBILITY FOR DEBTS	<p>The Board shall assume responsibility for debts incurred in the name of the District so long as those debts are for purchases made in accordance with adopted Board policy and current administrative procedures. The Board shall not be responsible for debts incurred by persons or organizations not directly under Board control; persons making unauthorized purchases shall assume full responsibility for all such debts.</p>
PURCHASE COMMITMENTS	<p>All purchase commitments shall be made by the Superintendent or designee on a properly drawn and issued purchase order, in accordance with administrative regulations.</p>
PERSONAL PURCHASES	<p>District employees shall not be permitted to purchase supplies or equipment for personal use through the District's business process.</p>

PURCHASING AND ACQUISITION

CH
(LOCAL)

CHANGE ORDERS
AND AMENDMENTS

A change order allowance for any contract requires prior Board approval and in no case will the cumulative total change order allowance(s) exceed thresholds established by state law.

SOLE SOURCE
CONTRACTS

Prior to entering into sole source negotiations, the Superintendent or designee shall make a determination that sole source goods or services procurement is necessary in accordance with Education Code 44. [See CH(LEGAL)] For sole source purchases greater than \$50,000, notice of the intent to enter into negotiations with the sole source vendor shall be noticed publicly, such as publishing on the District's Web site and on bid notification forums used by the District for advertising competitive bids, at least seven days prior to presenting the item for Board of Education approval. The notice shall include the title and brief description of the goods or services procured; the name of the proposed vendor; and a summary of the sole source determination.

PURCHASING AND ACQUISITION
VENDOR RELATIONSCHE
(LOCAL)

This policy is intended to communicate the District's desire to identify and eliminate unethical practices while creating an environment in which employees and/or citizens are encouraged to report and be comfortable with the reporting of fraud, misappropriations, and other irregularities.

COVERED ACTIVITIES

The District's Office of Inspector General (OIG) and/or the District's general counsel will investigate theft of property, theft of service, theft of anything of value, fraud, and misappropriation claims. Investigation will include attempts by vendors or outside organizations to influence Board or District staff decisions in violation with District procurement, contracting, and bidding policies and procedures.

ACTIONS
CONSTITUTING
INAPPROPRIATE
ACTIVITIES

Examples of activities constituting inappropriate conduct include but are not limited to the following:

1. Receiving payment as a result of the submittal of fictitious billing for work not actually performed;
2. Receiving payment as a result of intentional over-billing for work performed;
3. Bid price fixing;
4. Influencing Board members or District staff to enter into transactions providing a financial benefit to an organization or vendor that does not comply with District procurement, contract, or grant policies and procedures and/or that may not be in the best interest of the District; and
5. Collusion with District employees to commit a fraudulent act.

INVESTIGATIONS

Any fraud, misappropriation, or financial impropriety that is detected or suspected must be reported immediately by any employee or vendor to the Office of Inspector General (OIG), which shall coordinate all investigations with other affected areas, both internal and external.

Management shall be responsible for the detection and prevention of fraud, misappropriations, and other financial improprieties within the respective work unit. [See CHE(REGULATION)]

Any investigative activity required shall be conducted without regard to the suspected wrongdoer's length of service, position/title, or relationship to the District.

CONTACT WITH
PERSONNEL / BOARD

Solicitors and representatives from collection agencies shall not be permitted to see school personnel in the buildings at any time. Salespersons of educational products shall be permitted to interview teachers during their planning periods or before or after school. An

PURCHASING AND ACQUISITION
VENDOR RELATIONS

CHE
(LOCAL)

appointment shall be necessary, and the visitation must be approved by the teacher(s) and the principal.

Persons conducting commercial business with the District shall refrain from contacting individual members of the Board regarding any aspect of the business. Communications with the Board regarding any aspect of the business shall be in writing and addressed to all Board members.

Individual Board members who are contacted by persons conducting business with the District shall refer such persons to the Office of the Superintendent for the appropriate administrative response in accordance with existing District policies and administrative regulations. [See Unsolicited Proposals below and CAA (LOCAL)]

Any person or entity in violation of this policy may have a pending bid or proposal rejected, be barred from receiving future contracts, and/or have an existing contract canceled. [See BBFA(LOCAL)]

“Conducting business” shall include participation in a pending procurement, the negotiation of any contract, the performance of any contract, the selling of any product, and the performance of any service.

VENDOR DATA
REQUIREMENTS
CONFLICT OF
INTEREST

The Board and taxpayers of the District have the right to know with whom they do business. The availability of such information may help prevent and identify potential conflicts of interest, regarding present and former (within the last five years) members of the Board, District employees and members of their immediate families, including those related to the Trustee by consanguinity (i.e. blood) within the third degree or by affinity (i.e. marriage) within the second degree, who have a pecuniary or other interest in such company or corporation as described below. Pecuniary or other interest means that said person would receive, directly or indirectly, compensation or anything of value resulting from a purchase, sale, or rental of real or personal property or any other item of value regarding pending competitive procurement practices of the District, including but not limited to:

1. Construction, renovation, maintenance, or repair of school property.
2. Supplies.
3. Equipment.
4. Professional services, including architects, attorneys, fiscal agents, engineers, and consultants.

PURCHASING AND ACQUISITION
VENDOR RELATIONSCHE
(LOCAL)

Information will be provided by companies, corporations, individuals, all sole source providers, and any affiliated party or compensated agent as part of the procurement process through questionnaire made a part of the District's proposal or qualifications request. Similar information will ultimately be required for any major subcontractor, when known by the approved vendor. Information provided in the questionnaire will be used to identify information that will be relative to the handling of work proposed for the District. This information may include, but is not limited to:

1. Names of owners, principal shareholders or stockholders, officers, agents, salespeople, and key employees who fall within the category of:
 - a. Present and former (within the past five years) members of the Board.
 - b. District employees and members of their immediate families working or potentially working on the District's contract.
2. Certification of authority and/or any license or certificate required to conduct business within the State of Texas and/or City of Houston in accordance with any governing federal, state, and local statutes, regulations, and ordinances.
3. Names of any parent company, subsidiaries, or other name under which they are currently conducting or have previously conducted business with the District.
4. Legal name of business.
5. Mailing address and business street address, state, and city.
6. Name of bonding and/or insurance company and copies of current policies.
7. Number of full- and part-time employees.
8. Authorized agents, including any person or entity who is authorized to 'act with' or 'act on your behalf', such as consultants, sub-contractors, re-sellers, and/or lobbyists, confidants, etc. whether compensated or not compensated.
9. Type of business and types of products or services provided.
10. Financial and business references, including bank with which they conduct business.
11. Ethnic group of the majority owners to identify minority business.

PURCHASING AND ACQUISITION
VENDOR RELATIONS

CHE
(LOCAL)

12. Identification of any past, pending, or present litigation involving the District and any company, owners, principal shareholders or stockholders, officers, agents, salespeople, or employees.
13. Relationship to any Political Action Committees (PAC)

The Board may use the information listed above to determine whether any potential conflicts exist and to determine whether such conflicts of interests are of sufficient magnitude as to warrant:

1. Disqualification of a Board member or District employee from participation in any decision pertaining to conducting business with such potential vendor.
2. Disqualification of the potential vendor from conducting business with the District.

Should any potential vendor refuse or willfully fail to provide the requested data the Board may consider such refusal or failure as good cause to debar the potential vendor for no less than 24 months. [See also BBFA(LOCAL)]

A benefit interest transaction is one that is in the benefit of the District even though there may be a potential conflict of interest for a Board member. These transactions generally involve vendor gifts of funds, time, or products that benefit students across the District or in one or more Board districts.

Board members shall disclose all instances of vendor gifts for these purposes for consideration regarding conflicts of interest. The Superintendent or designee will use this information for purposes of evaluating exposing these services to market competition.

UNSOLICITED
PROPOSALS

Unsolicited proposals may come forth when companies see an opportunity to use the District to enhance their business interest. The District encourages the submission of new and innovative ideas. These ideas may be submitted as unsolicited proposals. Unsolicited proposals allow unique and innovative ideas or approaches that have been developed outside the District to be made available to the District for use in accomplishment of their goals and objectives. Unsolicited proposals are offered with the intent to support the District's goals and objectives, and often represent a substantial investment of time and effort by the Offeror.

Although it may appear from such proposals that no other company could offer the same product or service [See CH(LOCAL) for definition of sole source] the District shall evaluate proposals on their own merit and/or utilize a competitive procurement process as applicable.

PURCHASING AND ACQUISITION
VENDOR RELATIONS

CHE
(LOCAL)

The Superintendent or designee shall coordinate and document any requests from outside agencies to meet with and discuss elements of an unsolicited proposal. Vendors shall comply with the requirements of board policy and not seek to contact or influence individual Board Trustees or District officials in preparing or presenting unsolicited proposals.

The General Manager of Procurement will direct District Procurement staff members to review and evaluate the proposal in compliance with federal, state and local laws as well as board policy and administrative regulation.

EMPLOYMENT REQUIREMENTS AND RESTRICTIONS
CONFLICT OF INTEREST

DBD
(LOCAL)

An employee shall not accept or solicit any gift, favor, service, or other benefit that could reasonably be construed to influence the employee's discharge of assigned duties and responsibilities.

GIFTS

No gift, favor, loan, service, entertainment, or anything of more than token value shall be accepted by District employees from any District vendor or prospective vendor seeking to do business with the District. Items of token value include trinkets of minimal value such as coffee mugs, key chains, caps, and the like. Plaques and commemorative items are not considered to be gifts.

MEALS

Meals exceeding \$100 in the aggregate per year from any single source, District vendor, or prospective District vendor are strictly prohibited. Meals that exceed \$50 per meal or up to \$100 in the aggregate per year from any District vendor or prospective vendor must be reported.

E-RATE

In the case of E-rate matters, governance provided at CAA supercedes these requirements.

CONFLICT OF
INTEREST

An employee shall not have a personal financial interest, business interest, or any other obligation (e.g., board member, consultant) that in any way creates a substantial conflict with the proper discharge of assigned duties and responsibilities or that creates a conflict with the best interest of the District.

The Board of Education and the District require employees to put the interests of the District before the interest of external organizations with which they are affiliated such as board member of volunteer organization. To avoid the appearance of a conflict of interest, work with outside organizations which are interested in or likely to be interested in any contract, purchase, or financial transaction with the District, shall be subject to disclosure by an administrative employee as defined in administrative regulation.

An employee who believes he or she has or may have a conflict of interest shall disclose the conflict to the Superintendent or designee, who shall take whatever action is necessary, if any, to ensure that the District's best interests are protected.

DISCLOSURE
STATEMENT

Employees shall be required to execute the semi-annual disclosure statement (i.e., semi-annually), certifying that the employee will conform with the requirements of Section 16 of the Special Act of 1923, which created the District.

DEFINITION

"Conflict of interest" includes the common law conflict of interest and the following definition in Section 16 of the Special Act of 1923:

No Superintendent, business manager, or any other person holding any position of employment under said Board, shall

EMPLOYMENT REQUIREMENTS AND RESTRICTIONS
CONFLICT OF INTEREST

DBD
(LOCAL)

be directly or indirectly interested in any purchase, sale, business, work or contract, the expense, price or consideration of which is paid from the school funds of said District; nor shall any employee purchase any warrants or claims against said Board or District, or any interest therein, or become surety for any person or persons having a contract or any kind of business with said Board, for the performance of which security may be required. Anyone violating this provision shall be discharged from services.

If the employee is in doubt about a particular item, written clarification shall be requested concerning any transaction or potential transaction that might create a conflict of interest.

CONFLICT OF
INTEREST REVIEW
COMMITTEE

The conflict of interest review committee shall analyze possible conflict of interest disclosures submitted to the Superintendent or the Human Resources Department and the committee shall make recommendations to the Superintendent for appropriate action by the Board, if necessary.

The committee shall analyze possible conflict of interest disclosures involving the Superintendent and make recommendations to the Board for appropriate action, if necessary. Conflict of interest disclosures involving the Superintendent should be submitted directly to the conflict of interest review committee.



**Status Report:
Procurement Solutions
Related to External
Reviews**
September 4, 2012

Prepared by:
Procurement Services
General Manager

Procurement Solutions Related to External Reviews

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Executive Summary

In the fall of 2011 and the spring of 2012, the Council of Great City Schools (**CGCS**) and the audit/consulting firm of Whitley Penn (previously known as Null Lairson) performed two separate performance reviews of the procurement operations at Houston Independent School District (**HISD**). Each of the reviews conducted illustrated many key procurement activities and processes needing to be reviewed or revised. As such, this report will provide the Board of Education and the Superintendent of Schools with an update on the status of recommendations and key findings.

The Procurement Services Department at HISD manages over \$320 million dollars a year in procurement spend for the District. Of this spend; there are approximately 128,000 purchase transactions and 200 competitive solicitations that occur annually. Procurement Services maintains a staff of 36 professionals to manage and execute these transactions while maintaining a transparent and ethical process.

The recommendations from the Council of Great City Schools contained 20 recommendations in its final report and the Whitley-Penn report contained 13 recommendations. Many of the recommendations overlap between the reports. There are six core objectives being concentrated on and implemented by Administration during the coming months that will ensure long-term success for the Procurement Services Department. The majority of all recommendations can be classified into one of the following six objectives:

- Build a Strategic Sourcing Environment
- Undergo Department Reorganization
- Recommend Board Policy Changes
- Increase Transparency
- Establish Evaluation Standards on Bids
- Improve Quality Control

An overview of why and how each of these core recommendations will improve HISD will be outlined in this report.

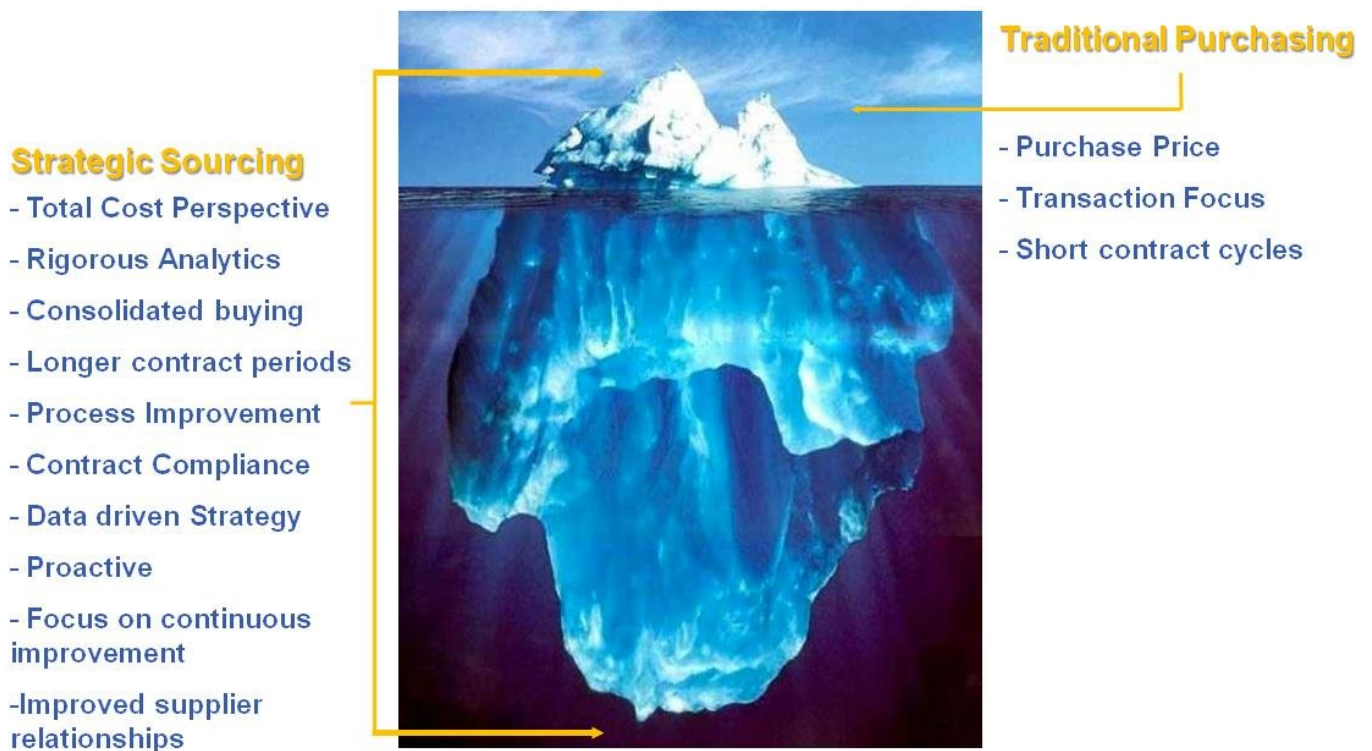
Administration is driven to ensure all key findings are addressed in a timely fashion and steps needed to be taken to ensure a foundation is developed that will foster and support a best-in-class Procurement Services Department demonstrating value and integrity to the District and its public.

Objective 1: Build a Strategic Sourcing Environment

This recommendation arises primarily from the CGCS's review indicating HISD's needs to embrace strategic sourcing along with other best practice supply chain processes. Data and information collected along with industry expertise indicates that strategic sourcing should be utilized by the district because it is now considered best practice in public procurement environments.

Strategic Sourcing is a collaborative, District-wide process designed to reduce the total cost of purchased products and services while maintaining or increasing levels of quality, service, and end-user satisfaction.

The picture below illustrates the elements and details of how strategic sourcing differs from traditional purchasing practices.



The current state of the Procurement Services Department is highly transactional in nature and typically does not place emphasis on strategic thinking or embrace a continuous improvement culture necessary to support a strong strategic sourcing department.

In addition to embracing these practices, Administration recommends the following improvements to support a strategic sourcing environment:

- Enhance the functionality of the SAP/SRM system
- Improve coordination and communication with end users
- Allow for rotation in commodity assignments
- Develop a program to track supplier performance

External Recommendation Addressed: CGCS recommendation #3, #11, #14, #15 and #18; Whitley Penn #9-7 and #9-15.

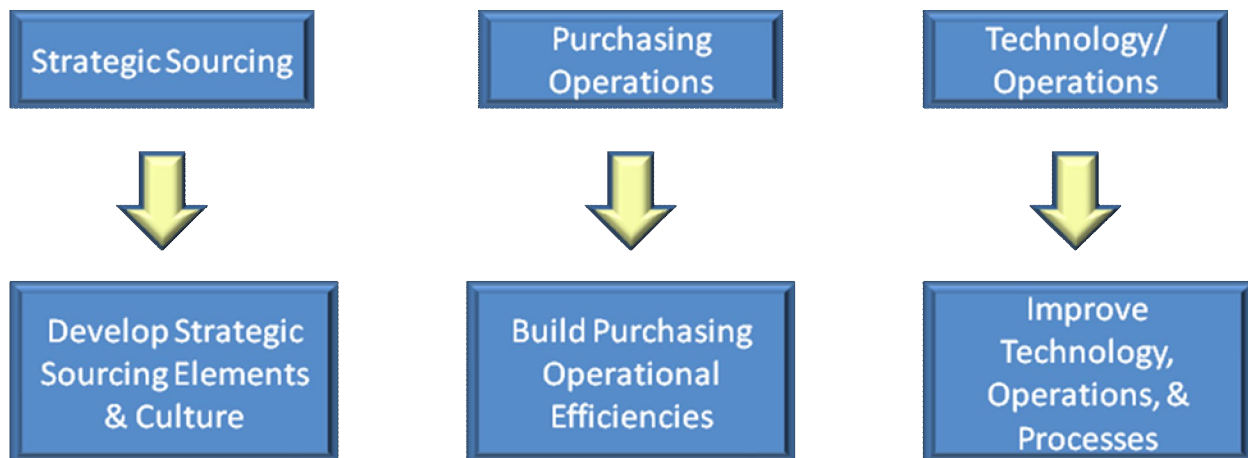
Success-To-Date:

- Board recommendation for September 13, 2012 agenda renewing and expanding the use of Interlocal contracts with local purchasing cooperatives and the University of Texas System Supply Chain Alliance.
- Working with local agencies & cooperatives for benchmarking and considering new sourcing models
- Held initial meetings with IT to address SRM enhancements and concerns
- Held initial meetings with key stakeholders on improving communications
- Held training with Procurement Services Department personnel about strategic sourcing

Objective 2: Undergo Department Reorganization

In order to become a best-in-class Procurement Services Department, there needs to be a reorganization of the existing department. This proposed reorganization would allow for more specialization in key areas needing improvement to support a strategic sourcing centric operation.

This chart outlines the core elements of the proposed department:



The strategic sourcing team will consist of individuals dedicated to strategic sourcing elements such as bidding, contract negotiations, market analysis, supplier performance management, cost savings tracking, and peer organization outreach.

The purchasing operations team will consist of individuals dedicated to transactional purchasing elements such as improving purchase order processing times, increasing the use of hosted catalogs and punch-out functionality, and leveraging tactical best practices.

The technology & operations team will contain individuals dedicated to improving operational efficiencies and processes such as website improvements, supplier pricing audits, managing document control, and exploring technology efficiencies to support the Procurement Services Department Mission and Vision.

There are analyst positions on the strategic sourcing team and technology & operations team that will support more data driven analytics. These analytics support positions will be crucial in providing spend analysis, total cost of ownership models, realized savings tracking, and supplier performance scorecards, which are all best practices of strategic sourcing organizations.

External Recommendation Addressed: CGCS #3; Whitley Penn #9-1 and #9-11.

Success-To-Date:

- Reorganization approved by the Superintendent
- Developed Job Analysis Questionnaire for several positions

Projects Underway

- Working with Human Resources to finalize posting of jobs which are expected to be advertised on or about September 14, 2012.

Recommendation 3: Recommend Board Policy Changes

The Office of Finance is recommending several board policy changes for the September 13th agenda that support strategic sourcing and best practices.

The first recommended policy change is to increase the threshold requiring a competitive procurement from \$10,000 per commodity/service category to the state threshold of \$50,000 for a commodity/service category. The Procurement Services General Manager and the Chief Financial Officer have spoken with other Texas school districts and concluded that districts were practicing category aggregates ranging from \$25,000-\$50,000, while HISD practices the lowest bidding threshold at \$10,000. The majority of large schools district in Texas have board policies established at the \$50,000 threshold. Furthermore, support of the state allowed level of \$50,000 would relieve some of the administrative burdens that exist in the Procurement Services Department related to procuring categories between \$10,000 and \$50,000.

The second recommended policy change is to require that administrators be required to disclose their service on boards or work with outside organizations, including not-for-profits, grantees or other organizations. The Board of Education and the District require employees to put the interests of the District before the interest of external organizations they are affiliated with. To avoid the appearance of a conflict of interest, this new disclosure policy is being recommended on the September agenda.

The third recommended policy change is to change the current Code of Silence period in CAA (Local) from 30 days prior to the issuance of an RFP to defining the Code of Silence period as beginning upon the issuance of an RFP. In many cases, schools and departments need to competitively bid a project and have the specifications ready however, Procurement Services Department cannot issue the RFP until the 30 days is completed. To be more efficient in procuring goods and services for campuses, it is recommended that the definition of the Code of Silence period be changed.

The final recommended policy change is to add a section to CH(Local) that would set forth policy related to authorize individuals to sign contracts that obligate the District. The policy would indicate that no employee other than the Superintendent or designee shall be authorized to sign contracts that obligate the District. Specific authority delegated to any designee shall be in accordance with administrative regulation.

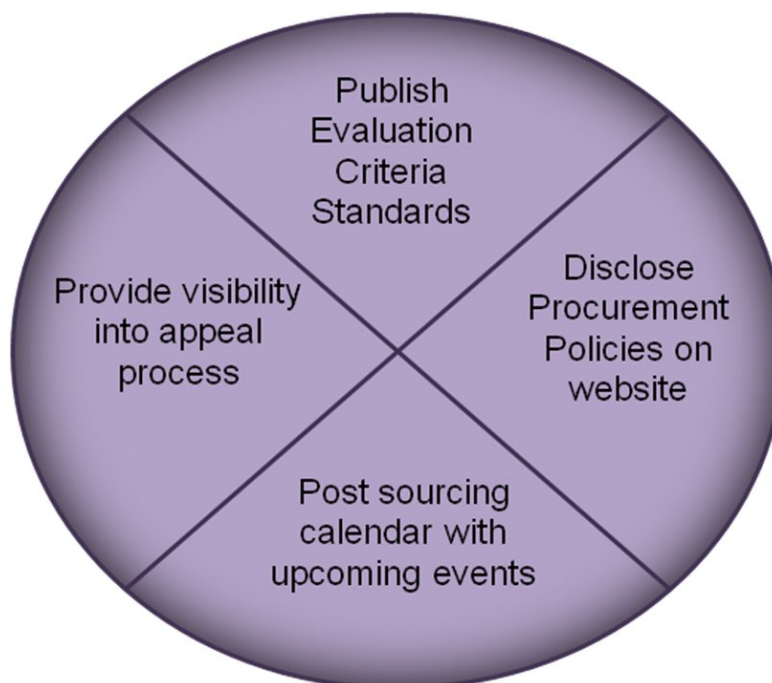
External Recommendation Addressed: CGCS recommendation #3, #6, and #7; Whitley Penn 9-1 and #9-10.

Success-To-Date:

- Board Policy changes will be presented for first reading in September 2012
- The administrative regulation is being drafted for CH (Regulation) and will be ready for Cabinet approval in late September.

Recommendation 4: Increase Transparency

Administration will implement several key process changes to improve the transparency of the Procurement Services Department. Here are the key activities important to increasing transparency.



Providing the community with this information is important because it will improve confidence in the HISD community, demonstrate good stewardship, increase supplier participation, and boost supplier education in the procurement process.

In addition to the four activities listed above, Administration is looking at how to improve visibility to the community on sole source contract awards by posting information that would allow for additional visibility into sole source contracts pending board approval.

External Recommendation Addressed: CGCS Findings #10 and #16; Whitley Penn #6, #9-2 to #9-4, #9-5, #9-8, #9-13, #9-14 and #9-16.

Success-To-Date:

- Created new Request for Proposals (RFP) template taking feedback from suppliers into consideration
- Developed master calendar for all agreements managed by Procurement Services Department to provide visibility into upcoming bid projects.
- Instituted a requirement that evaluation criteria must be published on all RFP's.

Projects Underway:

- Publish sole source award recommendations one week prior to board meeting on the Procurement Services Department website in accordance with new board policies, starting with the October 2012 agenda.
- Publish on the Procurement Services Department website the board policy related to the Procurement awards appeals process. (To be completed when departmental website has been converted to SchoolWires).

Recommendation 5: Establish Evaluation Standards on Bids

This recommendation arises from both recommendations made by CGCS and Whitley Penn to ensure the evaluation process is not only transparent but establishes a minimum threshold weight for pricing for HISD bids. The Office of Finance had a consultant benchmark how evaluation criteria were being used by HISD as compared to other school districts in the state and across the country. The findings of this report completed in July 2012 indicated that the pricing portion of HISD bids should contain an established minimum weight factor of no less than 30% of the overall evaluation score. Administration agrees with this minimum and will establish a Procurement Services Department Policy that will require a review of the RFP by the Chief Financial Officer any time the recommended pricing weight is suggested by an evaluation committee below the 30% minimum established.

Procurement Services Department will recommend as part of the policy, the Evaluation Criteria established below which meets the 30% criteria recommended and also will provide guidance to evaluation teams at HISD. By establishing this baseline, Administration will ensure that no bid will be evaluated at less than a 30% weight on price unless reviewed by the Procurement Services General Manager.

Evaluation Criteria	Weight %
Price	30%
Total Long Term Cost	10%
Quality	25%
Meets Needs	10%
Reputation	10%
Past Relationship	5%
MWBE	5%

Other	4%
State Presence	1%

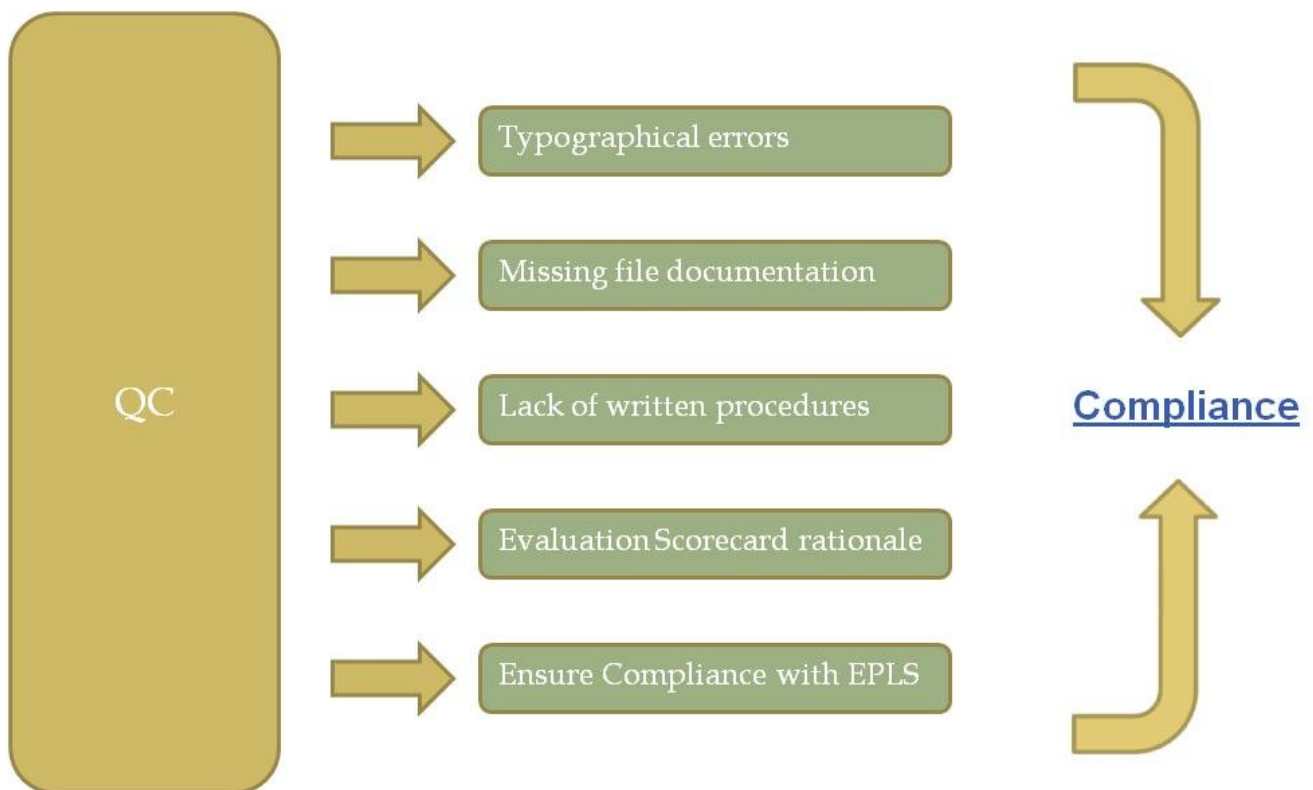
External Recommendation Addressed: CGCS #3; Whitley Penn #9-1.

Success-To-Date:

- Requiring publishing of evaluation criteria on every RFP conducted

Recommendation 6: Improve Quality Control

This recommendation is important to focus on many of the Whitley Penn recommendations being advised. Administration is currently working towards reviewing current procedures as well as establishing new procedures to improve compliance. Also, the Procurement Services GM has been working with his staff to discuss contract control, template development, and project close-out procedures that will significantly reduce previous documentation errors that have occurred.



The Procurement Services GM has established the expectation that the Excluded Parties List System (EPLS) is checked on purchase orders in which federal dollars are utilized.

External Recommendation Addressed: CGCS #16, #17; Whitley Penn #9-8, #9-13, #9-14 and #9-16.

Success-To-Date:

- Developed revised document control procedure
- Purchased scanning software while leveraging HISD records department
- Instituted a checklist and a desk manual departmental procedure on documents to be maintained in the project document files (Appendix 3).

Projects Underway

- Working to develop, review & revise all current procedures including updating desk manuals
- Updating desk manual to include a procedure to ensure that all purchase orders are checked against the EPLS to ensure compliance

Other Changes

There were several key recommendations made by CGCS and Whitley Penn which suggest process related changes that need to be considered by Procurement Services Department. There are several process related changes which will help improve Procurement Services Department operations. These include:

- Continue to enhance and build upon a department training program which will encourage employees to build their business acumen and procurement related skills long-term. (Ongoing)
- Improve the operational efficiency of the travel desk. (Not yet started)
- Reduce the number of direct payment transactions currently being processed. (Not yet started)
- Adjust the purchasing thresholds of the ProCard from the current level of \$500. (Discussions underway—process issues being worked out—final recommendation will be brought forward in November 2012)
- Establish a regular schedule of vendor fairs. (not yet started)
- Conduct a cost benefit analysis of centralized versus decentralized procurement processes. (to be evaluated)
- Establish appropriate standards and oversight for school site-based procurement processes (to be evaluated)
- Establish a strategic business plan for Procurement Services (not yet started).
- Use of one-time vendors (to be evaluated)

A few of the recommendations are not agreeable to Administration which will be addressed in the next section of this report.

External Recommendation Addressed: CGCS #4, #5, #6, #8, #9, #13, #19 and #20; Whitley Penn #9-6, #9-12

Findings Not Addressed

Administration does not feel CGCS finding #12 is a procurement related finding. As such the Procurement Services Department has referred this finding to the Office of the Inspector General (OIG) for him to address this recommendation.

Summary and Conclusion

The Office of Finance and Procurement Services has analyzed and discussed both external reviews conducted. The results of these discussions are objectives to address immediate concerns and issues while instilling a plan to adequately address all agreeable recommendations. The recommendations by the Office of Finance and Procurement Services to address strategic sourcing, the reorganization, policy changes, evaluation standards, and quality control are the most important for HISD to address immediately. The tables in Appendix 1 provide visibility into progress made toward the various CGCS and Whitley Penn recommendations.

Appendices

Appendix 1

CGCS Review

Recommendations		Completeness
1	Consider changing the reporting relationship of the Procurement Services Department to the Chief Operating Officer.	Completed-no change
2	Initiate a nationwide search for a Procurement Services General Manager, preferably having a Certified Public Purchasing Officer (CPPO), Certified Purchasing Manager (C.P.M), or equivalent designation.	Completed
3	Restructure the district's procurement contracting	50%
4	Conduct a cost/benefit analysis of centralized vs. decentralized procurement processes.	To Be Evaluated
5	Establish appropriate standards and oversight for school-site based procurement processes.	To Be Evaluated
6	Increase dollar-value thresholds for purchasing processes as follows.	80%
7	Eliminate inefficient and cumbersome contract signature processes and delegate signature authority for board approved contracts, as well as contract below the board approval threshold, to the General Manager of Procurement Services.	60%
8	Significantly reduce the number of direct-payment transactions constituting purchases that are not processed through the Procurement Services Department.	20%
9	Establish a strategic-business plan for the Procurement Services Department that is linked to the district's strategic plan and contains goals, objectives, timelines, performance measures, and accountabilities.	Future
10	Review and update procurement master calendars for each unit within the department and establish a monitoring and reporting component.	60%
11	Improve communications and coordination with end users through their timely involvement in the contracting process.	20%
12	Ensure that internal audits are conducted of Procurement Services operations on a regular basis and make the resulting reports available to the School Board, administration, and the public.	Board Audit Committee
13	Establish a formalized professional development program for staff members of the department and encourage buyers and managers to become certified by the Texas Association of School Business Officials, the Universal Public Purchasing Certification Council, or The Institute of Supply Management.	40%
14	Enhance the SAP Supplier Relationship Management (SRM) system training.	Future
15	Enhance functionality of the SAP SRM system	20%
16	Update and post on the department's website all procurement policies and procedures	20%
17	Establish procedures to ensure compliance with federal requirements on the Excluded Parties List System (EPLS).	40%
18	Periodically rotate the commodity assignments of buyers in the Procurement Services department.	Future
19	Establish a regular schedule of vendor fairs.	Future
20	Improve the operational efficiency of the travel desk	Future

Appendix 1

Whitley Penn Review		
Number	Recommendations	Completeness
1	Expansion and training on conflict of interest and procurement policies affecting Board Members to Board Members	Whitley Penn Policy Item
2	Simplify policies, including internal staff policies related to monitoring of conflict of interest policies and activities	Whitley Penn Policy Item
3	Recommended that Board Members document all travel, lodging, and entertainment received by Board Members	Whitley Penn Policy Item
4	Disclosure of relationships with all agencies, including non-profit vendors, grantees, or organizations with which HISD is considering a financial relationship	Whitley Penn Policy Item
5	Adopt policy requiring Board Members to disclose and recuse themselves from voting if contributions >\$250 per year from a vendor or their agent.	Whitley Penn Policy Item
6	Require staff to publish notice of HISD's intent to award sole source contracts for a given period prior to board review and approval of the contract.	80%
7	Include sanctions for vendors to ensure vendors understand the seriousness of violating conflict of interest requirements and have an incentive to ensure they and Board Members are reporting and disclosing possible conflicts.	Whitley Penn Policy Item
8	Establish guidelines for Board Members, staff and vendors to follow that define when and how allowable contact may be made, including presentation of proposals.	Whitley Penn v
9-1	Decrease inconsistency in the procurement activities and procurement file documentation	60%
9-2 to 9-4	Maintain consistent use of sole source justification and documentation	10%
9-5	Ensure that all documentation required by the RFP be maintained in the project folder	Completed
9-6	Review use of one-time vendors-review need for duplicate payees	To Be Evaluated
9-7	Improve vendor controls and ability to extract payment made against specific projects.	0%
9-8	Improve bid and contract documentation.	30%
9-9	Create and maintain a formal list of authorized approvers for purchases.	Future
9-10	CFO's determination on professional services and consultants; document process	40%
9-11	Vendor performance evaluation is not completed after completion of contract	20%
9-12	Implement a formal training procurement training program for staff	40%
9-13	Procurement's lack of written procedures to ensure all steps are performed	50%
9-14	Documentation of rationale used in scoring evaluation factors on RFP's	20%
9-15	Use of SAP Business Intelligence System to monitor spending	0%
9-16	Missing file documentation; recommendations on board items different from committee recommendations with no rationale, consistent file documentation	75%
10	Recommendation that Board Members communicate communication from vendors to the Superintendent for further action	Whitley Penn Policy Item
11	Address multiple supplier listings in SAP.	Future
12	Institute a process whereby continuing vendors are evaluated on performance on an annual basis	20%
13	Address controls related to contract change orders.	Whitley Penn Policy Item

Appendix 2

Procurement Services Department Mission & Vision

Mission Statement

The Procurement Services Department Mission is to control cost while ensuring the uninterrupted flow of goods & services at the right price, from the right supplier, at the right time, delivered to the right location.

Vision Statement (New)

To be the leading K-12 procurement department in Texas by demonstrating value and integrity to the District, the Community, and the State.

Appendix 3

Houston Independent School District

TASK INSTRUCTIONS

(Includes a step by step write-up of how to do a particular task.)

Procurement Business Process



1. Task No.

2. Task Title: Document Control – File Organization and Scanning

3. HOW I DO IT (Itemize specific steps)	4. KEY POINTS (Helpful hints)
<p>The purpose of this procurement business process is to insure that all documents related to projects are accurately and timely filed in the permanent record system.</p> <p>Currently the District is using a scanning system that will allow our current files to be scanned and maintained in electronic form. The system will also allow us to make necessary updates to the file and maintain all documents according to the project number or project name.</p> <p>Projects that have received Board of Education approval (either original or renewal) shall be completed and sent to the Document Control Specialist (General Clerk III) no later than 30 days after the contract, or, agreement letter is executed. The Document Control Specialist (General Clerk III) will maintain a process that monitors this requirement and exceptions to the process will be sent to the Procurement General Manager.</p> <p><u>PROJECT FOLDER CHECKLIST</u></p> <p>A checklist form is used in the department to assist both the buying staff and management staff in maintaining a uniform method of archiving project files. The check list serves as a reminder to which documents are to be included in the project file. A sample of the check list is attached and exhibit A. The check list becomes are of the project file and serves as an index to the contents of the file.</p>	

3. HOW I DO IT (Itemize specific steps)	4. KEY POINTS (Helpful hints)
<p>In the event that document(s) are not needed for a project a notation should be made and placed in the file explaining the circumstances relating to this document exception.</p> <p><u>PROJECT FILE LAYOUT</u></p> <p>Project file layout will be contained in a brown legal size pocket folder. Sections in the folder are: (1) Worksheet/Advertisement; (2) RFP Copy/Addenda; (3) Supplier List, Post Card Copy and List, Pre-Bid Conference Information, Addenda Distribution List; (4) Project Opening and M/WBE Information; (5) Response Tabulation, Renewal Letters, Evaluation Information; (6) E-Mail and any other communication.</p> <p>All information relating to the project must be kept from the end of the fiscal year plus an additional 5 years.</p> <p>Project responses are stored in two manners: (1) awarded proposals; (2) non-awarded proposals.</p> <p>Awarded proposal must be keep for the same retention record stated above and should be stored in a clear plastic legal size folder(s).</p> <p>Non-awarded proposals should be stored in yellow plastic legal size folder(s) and must be retained until the end of the fiscal year plus 2 years.</p> <p>These items are listed in the Contract File Review document that require the buying staff initial and managers review initial by each item listed.</p> <p>Once the file(s) is completed by procurement buying staff personnel, the file must be reviewed by the section manager. The manager (or, one up approval) should review both the file content and the content of each document to assure that all laws, district policy and department standards have been met. If these have not been met the manager (or, one up approval) should work with the buying staff member to ensure that deficiencies are corrected.</p> <p>Project files are due to the document control area 30 days after the agreement (contract) is signed.</p> <p>Files are to be placed in the designed file cabinet and locked. The section procurement manager (or, one up approval) will</p>	

3. HOW I DO IT (Itemize specific steps)	4. KEY POINTS (Helpful hints)
<p>sign a form showing that the project file has been turned over to the document control area.</p> <p><u>SCANNED DOCUMENTS USAGE VERSUS ACTUAL ORIGINAL DOCUMENT USAGE</u></p> <p>Procurement staff is to use the scanned documents available to on-line using Application Extender software. Original documents are not to be removed from the file room once they have been scanned by Administrative Services and returned to the department.</p> <p>One exception to this rule is if the scanned document is not readable. In this case a manager (or, one up approval) must be obtained prior to the Document Control Specialist (General Clerk III) providing the document.</p> <p>If a file is needed by an auditor, or, senior staff the file is to be signed out and used for the day. Files are to be returned to the Document Control Specialist (General Clerk III) by 4:30 P.M. on the day they are checked out. If they are not returned an e-mail notification will be sent to the Procurement General Manager advising that this file is out.</p> <p><u>ADDITIONS TO THE PROJECT FILE</u></p> <p>As the project progresses, additions will be made to the file. Examples are: additional e-mail correspondence, insurance verifications, board renewals, etc.</p> <p>If the file has been scanned, the new documents should be forwarded to the Document Control Specialist (General Clerk III) for scanning and adding to the scanned file. Once the documents are returned the Document Control Specialist (General Clerk III) will add the document to the project file.</p> <p><u>OBTAINING ARCHIVED FILES THAT ARE NOT SCANNED</u></p> <p>From time to time, it will be necessary for buying staff members to review files that were created prior to the scanning process and that have already been sent to the document control area. To do this, an out card form must be completed and will be maintained in place of the file. All buying staff should use every precaution to maintain the file in a secure area that will protect the content and integrity of</p>	

3. HOW I DO IT (Itemize specific steps)	4. KEY POINTS (Helpful hints)
<p>the file.</p> <p>The Out card form is a permanent record of project files movement, when you use the Out card DO NOT scratch through the previous entry. This entry is necessary to trace a projects movement.</p> <p>Files are to be returned to the Document Control Specialist (General Clerk III) by 4:30 P.M. on the day they are checked out. If they are not returned an e-mail notification will be sent to the Procurement General Manager advising that this file is out.</p> <p><u>FILE ROOM ACCESS</u></p> <p>The Document Control Specialist (General Clerk III), the manager overseeing this area and the Procurement General Manager are the only individuals who will have access to the file room.</p> <p><u>DOCUMENT CONTROL SPECIALIST ROLE</u></p> <p>The Document Control Specialist (General Clerk III – Document Control) is the administrative support person responsible for the integrity of project files.</p> <p>Responsibilities are:</p> <ol style="list-style-type: none"> 1. Issue project numbers 2. Advertise project listings in both general and community newspapers 3. Process advertising for all departments 4. Prepare the Board of Education agenda for the Procurement Section 5. Obtain completed project files from the procurement staff 6. Forward completed files to Administrative Services for scanning 7. Maintain original files that have been scanned and secure in department file room 8. Obtain additional items that need to be included in scanned files 	

3. HOW I DO IT (Itemize specific steps)	4. KEY POINTS (Helpful hints)
<ul style="list-style-type: none">9. Send additional items to Administrative Services10. Obtain items that have been added to scanned files from Administrative Services and place in project files.11. Other duties as assigned.	

Appendix 3 (continued)

Procurement Project Checklist

Revised 8/24/12

WORKSHEET / ADVERTISING

Project Number: _____
Project Name: _____
Project Manager/Buyer: _____
Requestor (School/Department): _____ Contact Person: _____
Contact Information: Phone: _____ Email: _____
____ Budget Code: _____ Dollar Amount: _____
____ Historical Spend (Annual): _____
____ Advertisement: 1st Date: _____ Last Date: _____
____ Web Page Upload: Date Completed: _____

RFP / ADDENDA

____ RFP Document
____ Addenda: ____ Yes: ____ No
____ Solicitation Notification List ____ Addenda Distribution List

PRE-PROPOSAL CONFERENCE / DOWNLOAD & DISTRIBUTION LIST

Pre-Proposal Conference Date: _____ Location: _____ Time: _____
____ Pre-Proposal Conference Sign In Sheet
Proposal Due Date: _____ Time: _____

BID OPENING / MWBE DOCUMENTS

____ Record of Proposals Received
____ MWBE Documents Submitted To Business Assistance Office:

EVALUATION DOCUMENTS & TABULATIONS

____ Cross Functional Evaluation Team Members (see attached)
____ Proposal Evaluation Date: _____ Location: _____ Time: _____
____ Confidentiality Agreements: Initial: _____ Ending: _____
____ Evaluation Scoring Sheets (all committee members)
____ Evaluation Matrix Sheets Scored: (all versions)
____ Project Tabulation _____ Property Tax Verification

BOARD AGENDA DOCUMENTS & CONTRACTS

____ Board Agenda Item Entered: _____ Board Meeting Date: _____
____ Supplier Award Letter issued: _____ Non-Award Letter Issued: _____
____ SRM Contract entered N/A
____ Agreement Number entered: (Food Services Projects)
____ Share Point Upload
____ Supplier File created

Status Report: Procurement Solutions Related to External Reviews

____ Electronic Media: _____ Yes: _____ No

____ Code of Silence Notice (Email)

____ Insurance Certificates (if applicable) _____ Payment Bond _____ Performance Bond

____ Signed Contract / Agreement Letter _____ Proposals Received Packaged For Storage

Buyer's Signature: _____

Manager's Signature: _____

Date: _____

Date: _____

Office of Board of Education
Board of Education Meeting of October 11, 2012

Office of Board Services
Mike Lunceford, Board President

SUBJECT: REAPPOINTMENT OF HOUSTON INDEPENDENT SCHOOL DISTRICT REPRESENTATIVES TO TAX INCREMENT REINVESTMENT ZONE (TIRZ) BOARDS OF DIRECTORS

The Houston Independent School District (HISD) participates in 16 tax increment reinvestment zones with the City of Houston. As a participant, HISD is entitled to appoint a representative to the board of directors of each zone.

This agenda item is to authorize reappointment of the following person for a two-year term of service to the TIRZ Board of Directors:

- Louis Sklar, Zone 16 (Uptown) – term expiration July 6, 2014

COST/FUNDING SOURCE(S): None

STAFFING IMPLICATIONS: None

ORGANIZATIONAL GOALS/IMPACT: This agenda item supports HISD Goal 5: Improve Public Support and Confidence in Schools.

THIS ITEM DOES NOT REQUIRE CONSULTATION.

THIS ITEM DOES NOT ESTABLISH, MODIFY, OR DELETE BOARD POLICY.

RECOMMENDED: That the Board of Education approve appointments and/or reappointments for the HISD Representative to the TIRZ Board of Director positions for Tax Increment Reinvestment Zone 16, effective October 12, 2012.

Office of Superintendent of Schools
Board of Education Meeting of October 11, 2012

Office of Academic Services
Julie Baker, Chief Academic Officer

SUBJECT: APPROVAL OF CURRENT AND ANTICIPATED DONATIONS FOR DISTRICTWIDE AND SCHOOL-SPECIFIC PROGRAMS AND AUTHORIZATION TO NEGOTIATE, EXECUTE AND AMEND NECESSARY CONTRACTS ASSOCIATED WITH THESE DONATIONS

In accordance with board policy, all donations in aggregate of \$5,000 or more must be approved by the Houston Independent School District's (HISD's) Board of Education.

The attachment reflects a summary of proposed donations.

COST/FUNDING SOURCE(S): Shown on the attached list.

STAFFING IMPLICATIONS: None

ORGANIZATIONAL GOALS/IMPACT: This agenda item supports HISD Goal 1: Increase Student Achievement and is aligned with Core Initiative 3: Rigorous Instructional Standards and Supports.

THIS ITEM DOES NOT REQUIRE CONSULTATION.

THIS ITEM DOES NOT ESTABLISH, MODIFY, OR DELETE BOARD POLICY.

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RECOMMENDED: That the Board of Education accept the proposed donations for districtwide and school-specific programs and authorize the superintendent or a designee to negotiate, execute, and amend necessary contracts, effective October 12, 2012.

SUMMARY OF DONATIONS GREATER THAN \$5,000

Donor	Receiving School/ Department	Donation Disbursement	Total Value of Donation	Budget String
Capital One Bank and Heart of America	Marshall Middle School		\$80,000 (In-kind)	NA
Capital One Bank and their non-profit partners, The Heart of America Foundation, are joining forces to complete a READesign Library Makeover at John Marshall Middle School. This in-kind donation will include a new layout design, new furniture, paint, artwork, and 850 new catalogued and shelf-ready library books. Additionally, each student will receive three new books to start their own home libraries. The Heart of America Foundation is a national nonprofit located in Washington, D.C. Established in 1997, its mission is to provide children everywhere with the tools they need to "Read, Succeed, and Make a Difference" and to create meaningful volunteer service opportunities. Schools that were identified to submit an application had to employ a certified librarian and have a "working library."				
The Eli & Edythe Broad Foundation	Paige Elementary School		\$25,000	SR1-11-6XXX-113-10-YY7-YY7
Money to be used at principal's discretion to support classroom instruction, field trips/assemblies, parent involvement, and materials.				
David Litowsky, M.D.	Braeburn Elementary School	The Litowsky Memorial Fund	\$6,000	SR1-13-6399-114-10-YY7-YY7
This donation is for Braeburn Elementary School for the May Rose Litowski Fund (in lieu of flowers). The funds are to be used to purchase the following: school supplies/incentives for attendance, Accelerated Reader and other library supplies.				
Bob J. Perry	JP Henderson Elementary School	Teacher Appreciation	\$5,000	SR1-11-6399-171-10-YY7-YY7
These funds will be used for supplies/incentives for attendance, Accelerated Reader and other library supplies.				

SUMMARY OF DONATIONS GREATER THAN \$5,000

Donor	Receiving School/ Department	Donation Disbursement	Total Value of Donation	Budget String
Mark Twain Parent Teacher Organization	Mark Twain Elementary School		\$35,000	SR1-11-6XXX-251-10-YY7-YY7
These funds are to be used by the principal for International Baccalaureate (IB) training, travel, substitutes, and dues related to IB. In addition, these funds may be used for instructional supplies and hourly payroll.				
Harvard Elementary School Parent Teacher Association	Harvard Elementary School		\$66,880	SR1-51-6299-169-99-YY7-YY7
To provide funds for the installation of artificial turf in the Harvard Park playground. Students will be able to have outdoor recess activities within 30 minutes of a rainfall. Outdoor recess is important for all students. The installation of the artificial turf will allow students to increase their outdoor recess time throughout the school year. Recess, while separate and distinct from physical education, is an essential component of the total educational experience for all students in grades PK-5.				
<u>Various Donors</u>	<u>Houston Independent</u>		<u>\$474,106.86</u>	<u>SR1-51-6299-169-99-YY7-YY7</u>
<u>Attachment – 2012 Back to</u>	<u>School District Office of</u>		<u>(\$206,701.86 – In-kind</u>	
<u>School Fest Budget</u>	<u>Strategic Partners</u>		<u>\$267,405 – Cash)</u>	
<u>Donations to sponsor the 2012 Back To School Fest. The event provided immunizations, school supplies, uniforms, educational and community resources, and much more. Monetary sponsorships covered general expenses associated with the Back to School Fest event.</u>				
Total Value of Donations - \$217,880 <u>\$691,986.86</u>				

2012 Back to School Fest Budget

Donor Company Name	Monetary Donations	In-kind Donations	Description: In-kind Donations
Academy Sports and Outdoors		\$ 14,500.00	725 Uniform Vouchers
Amerigroup	\$ 10,000.00		
Association Management Inc.	\$ 26,510.00		
Atlas Commodities, LLC	\$ 10,000.00		
Blue Cross Blue Shield		\$ 150,000.00	500 Immunizations
Capital One Bank	\$ 5,000.00		
Cigna	\$ 5,000.00		
City of Houston	\$ 18,093.86		
Comcast	\$ 5,000.00		
Fiesta	\$ 10,000.00		
Harperwood Electric		\$ 7,500.00	\$7,500 commendation from Harperwood Electric to be used toward event needs
HISD Foundation	\$ 5,000.00		
KBR Inc.	\$ 5,000.00		
KelseyCare powered by Cigna	\$ 5,000.00		
Metro		\$ 12,500.00	5,000 Metro Ride Passes
National Stores, Inc.		\$ 5,000.00	2,500 Shirts
Radio Disney		\$ 5,000.00	
Raindrop Turkish House	\$ 5,000.00		
Reliant an NRG Company	\$ 5,000.00		
Schlumberger	\$ 5,000.00		
Shell Oil Company	\$ 50,000.00		
Summit Dental	\$ 7,098.00	\$ 7,905.00	1,000 Backpacks, 1,000 Pencil Pouches
TAM International	\$ 10,000.00		
Texas Barbers College		\$ 52,000.00	13,000 Haircut Vouchers at \$4 each
Texas Expo		\$ 8,000.00	Event Decorations including: Tables, Draping, Table Cloths
Union Pacific	\$ 5,000.00		
UnitedHealthCare		\$ 5,000.00	1,000 Backpacks
Visionworks	\$ 5,000.00		
Yellow Cab	\$ 10,000.00		
Total:	\$ 206,701.86	\$ 267,405.00	

Office of Superintendent of Schools
Board of Education Meeting of October 11, 2012

Office of Academic Services
Julie Baker, Chief Academic Officer

**SUBJECT: ACCEPTANCE OF GRANT FUNDS IN SUPPORT OF
DISTRICTWIDE AND SCHOOL-SPECIFIC PROGRAMS AND
AUTHORIZATION TO NEGOTIATE AND EXECUTE CONTRACTS
REQUIRED UNDER THE GRANTS**

In accordance with board policy, all grant funds in aggregate of \$5,000 or more must be approved by the Houston Independent School District's (HISD's) Board of Education.

The attachment reflects a summary of grants awarded to HISD.

COST/FUNDING SOURCE(S): Shown on the attached list.

STAFFING IMPLICATIONS: None

ORGANIZATIONAL GOALS/IMPACT: This agenda item supports HISD Goal 1: Increase Student Achievement and is aligned with Core Initiative 3: Rigorous Instructional Standards and Supports.

THIS ITEM DOES NOT REQUIRE CONSULTATION.

THIS ITEM DOES NOT ESTABLISH, MODIFY, OR DELETE BOARD POLICY.

RECOMMENDED: That the Board of Education accept the proposed grant funds for districtwide and school-specific programs and authorize the superintendent of schools or designee to negotiate and execute contracts required under the grants, effective October 12, 2012.

SUMMARY OF GRANTS GREATER THAN \$5,000

Grantor	Receiving School/ Department	Donation Disbursement	Total Value of Grant	Budget String
Devon Energy Corporation	The Rusk School	Devon Science Giants Award	\$25,000	SR1-11-6399-234-10-DS3-DS3
Devon's Science Giants grant is designed to reward schools that demonstrate gains in science and innovative approaches to foster student interest in this critical subject. The grant is presented to support the winning school's strategic and creative vision for school-wide academic progress in science.				
United States Department of Education	Houston Independent School District Office of Curriculum and Instruction	Professional Development for Arts Educators	\$281,000	SR1-13-6118-678-99-RW5-RW5
The focus of Project Core Instruction, Arts Enrichment, Production Excellence, and Performance Acceleration (CAPP) is to increase academic performance, improve student engagement, increase school attendance, and positively affect graduation rates by immersing mentor leaders and arts/core teachers in 100 hours of fine arts professional development that is sustained and intensive. Project CAPP will implement a model of fine arts professional development that is integrated into the curriculum so that it impacts core and arts middle- and high school teachers. The program will also evaluate the powerful effect of high quality mentor leadership programs in both arts/core classes, the impact of arts/core class integration in schools with high poverty settings, and the importance of performance assessments for evaluating arts/core instructional strategies among majority population configurations represented by African American and Hispanic students.				
Texas Education Agency	Henry (052), Marshall (061), Ryan (066), Atherton (106), Bruce (121), Woodson (127), Cornelius (133), Whittier (258), Windsor Village (260)	21st Century Community Learning Centers, Cycle 7, Year 2	\$2,551,809	SR1 11-6100-XXX-41-JJ2-JJ2 \$1,105,670 SR1 36-6299-XXX-41-JJ2-JJ2 \$1,169,922 SR1 11-6300-XXX-41-JJ2-JJ2 \$134,687 SR1 13-6400-XXX-41-JJ2-JJ2 \$91,733 Indirect \$49,797
The purpose of these additional funds is to provide opportunities to establish or expand activities in nine community learning centers that: a) provide opportunities for academic enrichment; b) offer students a broad array of additional services, programs, and activities, such as youth development activities, drug and violence prevention programs, counseling programs, art, music, and recreation programs, technology education programs, and character education programs, that are designed to reinforce and complement the regular academic program of participating students; and c) offer families of students served by community learning centers opportunities for literacy and related educational development.				

SUMMARY OF GRANTS GREATER THAN \$5,000

Grantor	Receiving School/ Department	Donation Disbursement	Total Value of Grant	Budget String
Texas Education Agency	Austin (001), Davis (003), Scarborough (024), Sterling (014), Wheatley (018), Sam Houston (310), Sharpstown (023), Westbury (017), Jones (006), Furr (004), Milby (011)	Online College & Career Prep Technical Grant	\$535,175	SR1 31-6299-001-99-SJ7-SJ7 \$65,240 SR1 31-6299-003-99-SJ7-SJ7 \$58,590 SR1 31-6299-024-99-SJ7-SJ7 \$26,355 SR1 31-6299-014-99-SJ7-SJ7 \$38,150 SR1 31-6299-018-99-SJ7-SJ7 \$37,800 SR1 31-6299-310-99-SJ7-SJ7 \$65,590 SR1 31-6299-023-99-SJ7-SJ7 \$44,625 SR1 31-6299-017-99-SJ7-SJ7 \$75,000 SR1 31-6299-006-99-SJ7-SJ7 \$20,650 SR1 31-6299-004-99-SJ7-SJ7 \$28,175 SR1 31-6299-011-99-SJ7-SJ7 \$75,000

The purpose of the program is to provide online college preparation assistance to students, parents, and high school counselors. Schools selected Naviance, an approved TEA provider, for assistance with tools and resources for college and career planning.

Department of Health & Human Services / Centers for Disease Control & Prevention	Houston Independent School District Office of Secondary Health & Physical Education	Improving Health and Educational Outcomes of Young People	\$29,000	SR1-13-6399-678-99-KX4-KX4
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The Centers for Disease Control and Prevention (CDC) provides funds to state and local entities to improve the health, education and well-being of young people through coordinated school health programs. The Grant Development Department was instrumental in the Houston Independent School District (HISD) being awarded three CDC grants. The grants were for Youth Risk Behavior Survey (YRBS), HIV Prevention and Asthma Management.

SUMMARY OF GRANTS GREATER THAN \$5,000

Grantor	Receiving School/ Department	Donation Disbursement	Total Value of Grant	Budget String
Texas Education Agency	Washington (016), Scarborough (024), Alcott (102), Blackshear (110), Bonham (111), Brookline (119), Oates (212), Rusk (234), Shearn (239), Sam Houston (310)	21st Century Community Learning Centers, Cycle 6, Year 4	\$1,371,000	SR1 11-6100-XXX-41-AX5-AX5 \$929,456 SR1 36-6299-XXX-41-AX5-AX5 \$380,498 SR1 11-6300-XXX-41-AX5-AX5 \$23,746 SR1 13-6400-XXX-41-AX5-AX5 \$37,300

The purpose of these additional funds is to provide opportunities to establish or expand activities in ten community learning centers that: a) provide opportunities for academic enrichment; b) offer students a broad array of additional services, programs, and activities, such as youth development activities, drug and violence prevention programs, counseling programs, art, music, and recreation programs, technology education programs, and character education programs, that are designed to reinforce and complement the regular academic program of participating students; and c) offer families of students served by community learning centers opportunities for literacy and related educational development.

United States Department of Education	Houston Independent School District Office of Professional Development/Leadership Development	School Leadership Grant	\$151,790	SR1 13-6XXX-693-99-HT7-HT7
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This is acceptance of Year 4 funds for the 5-year U.S. Department of Education School Leadership Grant. This grant supports the Alternative Certification Program's Principal Academy for Collaborative Engagement (HISD-ACP PACE). HISD-ACP PACE Project will use these funds to identify, recruit, train, support, and retain high-quality candidates to become principals, assistant principals, or school leaders in HISD. By providing a comprehensive, ongoing, job-imbedded leadership training that leads to state principal certification, this project provides post-certification support to maximize the retention of the best candidates.

SUMMARY OF GRANTS GREATER THAN \$5,000

Grantor	Receiving School/ Department	Donation Disbursement	Total Value of Grant	Budget String
Houston Department of Health and Human Services (HDHHS)	Houston Independent School District Office of Health and Medical Services		\$10,000	SR1-33-6114-634-99-SH6-SH6 (\$9,500) SR1-33-6415-634-99-SH6-SH6 (\$500)
<p>The purpose of this item is to complete mandated vision screening no later than the third month of the academic school year so that vision referrals can be completed and vision acuity problems identified and resolved earlier in the school year. Factors involved in this project are as follows:</p> <ul style="list-style-type: none"> • Coordinate training for hired staff members and assure certification in accordance with State of Texas screener requirements • Coordinate setup of vision screening services at selected schools with designated campus staff members • Manage, assign and monitor performance of temporary screening personnel that are assigned to the project by HDHHS • Recruit and manage volunteers • Comply with school district volunteer guidelines • Oversee vision screening services at designated schools • Provide activity reports to HDHHS • Provide required screening information and results on agreed upon forms to school nurse or campus designee 				
United States Department of Education	Houston Independent School District Office of School Choice	Funds will be used to support the Year 3 of the MSAP Grant at Dodson ES (139), Gardens Oaks ES (157), Whidby ES (257), Fondren MS (72), and Jones HS (6)	\$3,954,157	Federal Grant Fund MG3 Attached

This is acceptance of Year 3 funds for the 3-year Magnet Schools Assistance Program (MSAP) federal grant for the implementation of the New Horizons Project. The New Horizon Project is designed to enhance the educational programs at the five schools listed above by developing and strengthening each theme-based magnet program. It includes two Montessori, one International Baccalaureate (IB), one medical health science, and one Science, Technology, Engineering and Math (STEM) program. The goal of this project is: 1) promote desegregation/school choice, 2) build capacity of schools and staff, and 3) improve academic achievement of student. Measurable outcomes associated with each goal address the six identified MSAP performance measures.

Total Value of Grants - \$8,908,931

Magnet Schools Assistance Program (MSAP) Detailed Budget

Donor	Recipient (Org#)	Budget String	Amount
U.S. Dept of ED	Dodson Es(139)	SR1-11-6119-139-10-MG3-MG3	\$123,882.00
U.S. Dept of ED	Dodson Es(139)	SR1-11-614X-139-10-MG3-MG3	\$18,282.00
U.S. Dept of ED	Dodson Es(139)	SR1-11-6639-139-10-MG3-MG3	\$52,584.00
U.S. Dept of ED	Dodson Es(139)	SR1-11-6399-139-10-MG3-MG3	\$143,811.00
U.S. Dept of ED	Dodson Es(139)	SR1-11-6299-139-10-MG3-MG3	\$65,426.00
U.S. Dept of ED	Dodson Es(139)	SR1-11-XXXX-139-10-MG3-MG3	\$7,665.00
U.S. Dept of ED	Fondren MS (72)	SR1-11-6119-072-10-MG3-MG3	\$143,994.00
U.S. Dept of ED	Fondren MS (72)	SR1-11-614X-072-10-MG3-MG3	\$20,451.00
U.S. Dept of ED	Fondren MS (72)	SR1-11-6411-072-10-MG3-MG3	\$147,526.00
U.S. Dept of ED	Fondren MS (72)	SR1-11-6639-072-10-MG3-MG3	\$69,670.00
U.S. Dept of ED	Fondren MS (72)	SR1-11-6399-072-10-MG3-MG3	\$55,614.00
U.S. Dept of ED	Fondren MS (72)	SR1-11-6299-072-10-MG3-MG3	\$229,978.00
U.S. Dept of ED	Fondren MS (72)	SR1-11-XXXX-072-10-MG3-MG3	\$20,397.00
U.S. Dept of ED	Garden Oaks ES (157)	SR1-11-6119-157-10-MG3-MG3	\$214,145.00
U.S. Dept of ED	Garden Oaks ES (157)	SR1-11-614X-157-10-MG3-MG3	\$38,611.00
U.S. Dept of ED	Garden Oaks ES (157)	SR1-11-6411-157-10-MG3-MG3	\$11,500.00
U.S. Dept of ED	Garden Oaks ES (157)	SR1-11-6639-157-10-MG3-MG3	\$89,790.00
U.S. Dept of ED	Garden Oaks ES (157)	SR1-11-6399-157-10-MG3-MG3	\$93,191.00
U.S. Dept of ED	Garden Oaks ES (157)	SR1-11-6299-157-10-MG3-MG3	\$92,745.00
U.S. Dept of ED	Garden Oaks ES (157)	SR1-11-XXXX-157-10-MG3-MG3	\$6,000.00
U.S. Dept of ED	Jones HS (6)	SR1-11-6119-06-10-MG3-MG3	\$76,416.00
U.S. Dept of ED	Jones HS (6)	SR1-11-614X-06-10-MG3-MG3	\$12,600
U.S. Dept of ED	Jones HS (6)	SR1-11-6639-06-10-MG3-MG3	\$1,060,600.00
U.S. Dept of ED	Jones HS (6)	SR1-11-6399-06-10-MG3-MG3	\$85,000.00
U.S. Dept of ED	Jones HS (6)	SR1-11-6299-06-10-MG3-MG3	\$232,000.00
U.S. Dept of ED	Jones HS (6)	SR1-11-6629-06-81-MG3-MG3	\$5,000.00
U.S. Dept of ED	Jones HS (6)	SR1-11-6399-06-10-MG3-MG3	\$84,266.00
U.S. Dept of ED	Whidby ES (257)	SR1-11-6119-257-10-MG3-MG3	\$219,816.00
U.S. Dept of ED	Whidby ES (257)	SR1-11-614X-257-10-MG3-MG3	\$25,642.00
U.S. Dept of ED	Whidby ES (257)	SR1-11-6639-257-10-MG3-MG3	\$103,215.00
U.S. Dept of ED	Whidby ES (257)	SR1-11-6399-257-10-MG3-MG3	\$57,370.00
U.S. Dept of ED	Whidby ES (257)	SR1-11-6299-06-10-MG3-MG3	\$12,270.00
U.S. Dept of ED	Whidby ES (257)	SR1-11-XXXX-06-10-MG3-MG3	\$8,810.00
U.S. Dept of ED	Central Operations	SR1-11-6119-XXX-10-MG3-MG3	\$93,890.00
U.S. Dept of ED	Central Operations	SR1-11-614X-XXX-10-MG3-MG3	\$18,008.00
U.S. Dept of ED	Central Operations	SR1-11-6411-XXX-10-MG3-MG3	\$12,200.00
U.S. Dept of ED	Central Operations	SR1-11-6399-XXX-10-MG3-MG3	\$37,500.00
U.S. Dept of ED	Central Operations	SR1-11-6299-XXX-10-MG3-MG3	\$66,534.00
U.S. Dept of ED	Federal Direct Charges		\$3,856,397.00
	Indirect Cost Rate (2.535%)		\$97,760.00
	Federal Funding Request		\$3,954,157.00

Office of Superintendent of Schools
Board of Education Meeting of October 11, 2012

Office of School Support
Mark Smith, Chief School Support Officer

**SUBJECT: AUTHORITY TO NEGOTIATE AND EXECUTE CONTRACTS WITH
RICE UNIVERSITY FOR UPCOMING PROFESSIONAL
DEVELOPMENT OPPORTUNITIES FOR SCHOOL
ADMINISTRATORS**

This board item requests that the Houston Independent School District (HISD) Board of Education authorize the superintendent of schools or a designee to negotiate and execute a contract with Rice University for strategic marketing seminars for school administrators beginning January 1, 2013 and progressing throughout the 2012–2013 school year. The scope of this work is designed to provide school leaders with a broad understanding of the internal and external environmental factors that affect the success of their schools. School leaders will build individualized, customer-focused marketing plans.

COST/FUNDING SOURCE(S): The total cost of this program is \$315,000 and would be funded through Title II grant funds for the 2012–2013 school year (SR1 13-6299-682-99-C92-C92).

STAFFING IMPLICATIONS: None

ORGANIZATIONAL GOALS/IMPACT: This agenda item supports HISD Goal 1: Increase Student Achievement and is aligned to Core Initiative 1: Effective Teacher in Every Classroom, Core Initiative 2: Effective Principal in Every School, and Core Initiative 3: Rigorous Instructional Standards and Supports.

THIS ITEM DOES NOT REQUIRE CONSULTATION.

THIS ITEM DOES NOT ESTABLISH, MODIFY, OR DELETE BOARD POLICY.

RECOMMENDED: That the Board of Education authorize the superintendent of schools or a designee to negotiate and execute contracts with Rice University for upcoming professional development opportunities for school administrators for the 2012–2013 school year, effective October 12, 2012.

Office of Superintendent of Schools
Board of Education Meeting of October 11, 2012

Office of School Support
Mark Smith, Chief School Support Officer

SUBJECT: ACCEPTANCE OF 2012–2013 FUNDS FROM THE TEXAS EDUCATION AGENCY FOR 47 CAMPUSES IN STAGES ONE, TWO, THREE, FOUR, OR FIVE OF ADEQUATE YEARLY PROGRESS SCHOOL IMPROVEMENT

The purpose of this agenda item is to request that the Houston Independent School District (HISD) Board of Education accept funds from the Texas Education Agency (TEA) for Title I, Part A, campuses currently in Stage One, Two, Three, Four, or Five of Adequate Yearly Progress (AYP) school improvement, as mandated by the No Child Left Behind Act of 2001. There are thirty-two campuses in Stage One, three campuses in Stage Two, six campuses in Stage Three, one campus in Stage Four, and five campuses in Stage Five. The principals of these schools have completed the School Improvement Program (SIP) application for funding, and the External Funding Department will submit the individual applications through TEA's eGrants system prior to the October 25, 2012 deadline.

The attachment shows each school's SIP intervention stage and allocation for 2012–2013. Each campus must expend the SIP funds to directly address the academic indicator(s) that caused the school to fail to make AYP (i.e., math, reading, attendance/graduation rate).

Stage Requirements

Once a school enters the School Improvement Program, certain requirements apply for each stage of intervention. Schools in Stage One or above must notify parents of the school's status, offer school choice with transportation, and revise the campus improvement plan to reflect the interventions for each stage. In addition, schools in Stage Two or above must offer Supplemental Educational Services, which is free tutoring by state-approved providers. Stage Three schools must also implement a more significant intervention, or **corrective action**, to ensure the school's capacity to make AYP in the areas previously missed. Corrective action options include implementing a new curriculum, extending the school day or school year, replacing school staff members that are relevant to the failure of the school to make AYP, decreasing the management authority of the campus, restructuring the internal organizational structure, or appointing an outside expert to advise the campus on ways to make improvements.

Stage Four schools must continue to implement the corrective action begun in Stage Three and begin development of a plan for **restructuring** the campus. A restructuring team—which includes central-office, school-office, and campus-level personnel—develops a plan for the major reorganization of the campus in the event the Stage Four campus enters the next stage. Stage Five is the implementation year for the restructuring plan. This plan will address fundamental reforms, such as significant changes in the campus staffing and governance to improve student achievement and enable the campus to make AYP.

Funding Formula

The funding formula for SIP schools is divided into two components: base funding and effective strategy/activity funding. Each campus must apply for both sets of funding. The funding amounts for some of the schools are significantly lower than in previous years.

Base Funding – Each campus will receive a small entitlement which will be distributed by a weighted per-pupil allocation. The weights will be based on the AYP indicators missed, and the funds may be used for any activity identified in the campus' comprehensive needs assessment to improve the school and address the missed indicators. Allowable expenditures for the base funding are payroll costs, professional and contracted services, supplies and materials, capital outlay, and indirect and other operating costs.

Each school in Stage One SIP that has a <70 percent TAKS/STAAR passing rate for any subgroup must give \$3,000 out of their Base Funding to the education service center (Region IV).

Effective Strategy/Activity Funding – A larger component of the funding is available for implementing up to two effective strategies or activities from a TEA-approved list. All campuses will apply for this funding. The school improvement officer will assist the campus in reviewing its comprehensive needs assessment before selecting the activities for implementation. Allowable expenditures for the effective strategy/activity funding are the same as base funding, with the exception of capital outlay.

Technical Assistance

For principals of schools in Stages Two and above, HISD is proposing and awaiting approval from TEA to use funds previously allocated to Professional Services Providers' (PSP) salaries to contract with two nationally recognized organizations with proven track records in urban school transformation. These institutions are Harvard EdLabs, under the guidance of Dr. Roland Fryer, and the National Center for Urban School Transformation (NCUST), under the guidance of Dr. Joe Johnson. These institutions will work in conjunction with HISD school improvement officers to provide support and assistance to these schools by mentoring and networking with

campus administrative teams as they work to implement strategies proven to transform urban schools. This work will include leading and participating in activities such as using data for decision-making, observing classrooms, and conducting coaching sessions and principal networking meetings.

COST/FUNDING SOURCE(S): The total cost of these school improvement initiatives is \$2,835,618 and will be funded by school-based school improvement funds: (SR1-11-XXXX-XXX-41-BW3-BW3).

STAFFING IMPLICATIONS: This recommended action will be accomplished by current personnel at SIP campuses, School Improvement Resource Center staff members, and selected campus administrator mentors and technical assistance providers.

ORGANIZATIONAL GOALS/IMPACT: This agenda item supports HISD Goal 1: Increase Student Achievement and is aligned to Core Initiative 3: Rigorous Instructional Standards and Supports. These initiatives will improve schools' ability to move out of AYP school improvement status.

THIS ITEM DOES REQUIRE CONSULTATION.

THIS ITEM DOES NOT ESTABLISH, MODIFY, OR DELETE BOARD POLICY.

RECOMMENDED: That the Board of Education accept funds from the Texas Education Agency for school improvement initiatives for schools in Stage One, Two, Three, Four, or Five of AYP school improvement, effective October 12, 2012.

2012-2013 SCHOOL IMPROVEMENT ALLOCATIONS

Attachment E-2

					BASE FUNDING				EFFECTIVE ACTIVITIES FUNDING				
School Name	School Number	2011-2012 Carryover (Base Funding)	2011-2012 Carryover (Effective Activities Funding)	Stage 2012-2013	Entitlement	Indirect Cost	Region IV	Amount to be Allocated	Entitlement	Indirect Cost	Amount to be Allocated	Total Funds	
Pro-Vision MS	332	\$0	\$0	3	\$3,712	\$100	\$0	\$3,612	\$124,943	\$3,357	\$121,586	\$128,655	
Elementary Schools	Benavidez ES	295	\$12,716	\$97,565	2	\$8,294	\$223	\$0	\$8,071	\$124,943	\$3,357	\$121,586	\$243,519
	Blackshear ES	110			1	\$15,000	\$403	\$3,000	\$11,597	\$0	\$0	\$0	\$15,000
	Bruce ES	121			1	\$15,000	\$403	\$0	\$14,597	\$0	\$0	\$0	\$15,000
	Davila ES	297			1	\$15,000	\$403	\$0	\$14,597	\$0	\$0	\$0	\$15,000
	Foerster ES	271			1	\$15,000	\$403	\$3,000	\$11,597	\$0	\$0	\$0	\$15,000
	Garcia ES	283			1	\$15,000	\$403	\$3,000	\$11,597	\$0	\$0	\$0	\$15,000
	Grissom ES	262			1	\$15,000	\$403	\$3,000	\$11,597	\$0	\$0	\$0	\$15,000
	Gross ES	369			1	\$15,000	\$403	\$3,000	\$11,597	\$0	\$0	\$0	\$15,000
	Isaacs ES	180			1	\$15,000	\$403	\$3,000	\$11,597	\$0	\$0	\$0	\$15,000
	Lewis ES	194			1	\$15,000	\$403	\$3,000	\$11,597	\$0	\$0	\$0	\$15,000
	C. Martinez ES	289			1	\$15,000	\$403	\$0	\$14,597	\$0	\$0	\$0	\$15,000
	R. Martinez ES	298			1	\$15,000	\$403	\$0	\$14,597	\$0	\$0	\$0	\$15,000
	McNamara ES	227			1	\$15,000	\$403	\$0	\$14,597	\$0	\$0	\$0	\$15,000
	Paige ES	113			1	\$15,000	\$403	\$0	\$14,597	\$0	\$0	\$0	\$15,000
	K. Smith ES	242			1	\$15,000	\$403	\$0	\$14,597	\$0	\$0	\$0	\$15,000
	Wilson ES	259			1	\$15,000	\$403	\$3,000	\$11,597	\$0	\$0	\$0	\$15,000
	Woodson ES	127			1	\$15,000	\$403	\$3,000	\$11,597	\$0	\$0	\$0	\$15,000
	Elementary Totals					\$248,294	\$6,671	\$27,000	\$214,623	\$124,943	\$3,357	\$121,586	\$483,519
Middle Schools	Attucks MS	41	\$798	\$40,642	3	\$16,814	\$452	\$0	\$16,362	\$124,943	\$3,357	\$121,586	\$183,197
	Black MS	42			1	\$15,000	\$403	\$3,000	\$11,597	\$0	\$0	\$0	\$15,000
	Dowling MS	75			1	\$15,000	\$403	\$3,000	\$11,597	\$0	\$0	\$0	\$15,000
	Fleming MS	78			1	\$15,000	\$403	\$3,000	\$11,597	\$0	\$0	\$0	\$15,000
	Fondren MS	72	\$2,643	\$36,141	2	\$25,656	\$689	\$0	\$24,967	\$124,943	\$3,357	\$121,586	\$189,383
	Hartman MS	51	\$0	\$53,760	2	\$27,129	\$729	\$0	\$26,400	\$124,943	\$3,357	\$121,586	\$205,832
	Henry MS	52	\$7,116	\$78,597	3	\$37,142	\$998	\$0	\$36,144	\$124,943	\$3,357	\$121,586	\$247,797
	Hogg MS	53			1	\$15,000	\$403	\$3,000	\$11,597	\$0	\$0	\$0	\$15,000
	Holland MS	50			1	\$15,000	\$403	\$3,000	\$11,597	\$0	\$0	\$0	\$15,000
	Jackson MS	54			1	\$15,000	\$403	\$3,000	\$11,597	\$0	\$0	\$0	\$15,000
	Las Americas MS	340			1	\$15,000	\$403	\$3,000	\$11,597	\$0	\$0	\$0	\$15,000
	Long MS	59			1	\$15,000	\$403	\$3,000	\$11,597	\$0	\$0	\$0	\$15,000

2012-2013 SCHOOL IMPROVEMENT ALLOCATIONS

					BASE FUNDING				EFFECTIVE ACTIVITIES FUNDING			Total Funds
School Name	School Number	2011-2012 Carryover (Base Funding)	2011-2012 Carryover (Effective Activities Funding)	Stage 2012-2013	Entitlement	Indirect Cost	Region IV	Amount to be Allocated	Entitlement	Indirect Cost	Amount to be Allocated	
Middle Schools	Marshall MS	61		1	\$15,000	\$403	\$3,000	\$11,597	\$0	\$0	\$0	\$15,000
	MC Williams MS	82	\$27,041	3	\$16,738	\$450	\$0	\$16,288	\$151,575	\$4,073	\$147,502	\$256,057
	Revere MS	60		1	\$15,000	\$403	\$3,000	\$11,597	\$0	\$0	\$0	\$15,000
	Ryan MS	66	\$8,493	5	\$11,524	\$310	\$0	\$11,214	\$151,575	\$4,073	\$147,502	\$244,730
	Sugar Grove	163		1	\$15,000	\$403	\$3,000	\$11,597	\$0	\$0	\$0	\$15,000
	Thomas MS	77	\$6,204	3	\$19,988	\$537	\$0	\$19,451	\$124,943	\$3,357	\$121,586	\$202,376
Middle Totals					\$319,991	\$8,598	\$33,000	\$278,393	\$927,865	\$24,930	\$902,935	\$1,694,372
High Schools	Bellaire HS	2		1	\$15,000	\$403	\$3,000	\$11,597	\$0	\$0	\$0	\$15,000
	Jones HS	6	\$31,499	5	\$40,580	\$1,090	\$0	\$39,490	\$124,943	\$3,357	\$121,586	\$269,198
	Kashmere HS	7	\$58,275	3	\$15,161	\$407	\$0	\$14,754	\$124,943	\$3,357	\$121,586	\$271,402
	Madison HS	10	\$24,475	4	\$19,024	\$511	\$0	\$18,513	\$124,943	\$3,357	\$121,586	\$229,501
	Sharpstown	23		1	\$15,000	\$403	\$3,000	\$11,597	\$0	\$0	\$0	\$15,000
	Sterling HS	14		1	\$15,000	\$403	\$0	\$14,597	\$0	\$0	\$0	\$15,000
	Waltrip HS	15		1	\$15,000	\$403	\$3,000	\$11,597	\$0	\$0	\$0	\$15,000
	Westbury HS	17	\$80,155	5	\$83,466	\$2,243	\$0	\$81,223	\$124,943	\$3,357	\$121,586	\$353,066
	Westside HS	36		1	\$15,000	\$403	\$3,000	\$11,597	\$0	\$0	\$0	\$15,000
	Wheatley HS	18	\$129,572	5	\$75,720	\$2,034	\$0	\$73,686	\$124,943	\$3,357	\$121,586	\$405,573
	Yates HS	20	\$42,232	5	\$27,261	\$732	\$0	\$26,529	\$124,943	\$3,357	\$121,586	\$260,384
High Totals					\$336,212	\$9,033	\$12,000	\$315,179	\$749,658	\$20,142	\$729,516	\$1,864,124
ALL TOTALS					\$908,209	\$24,402	\$72,000	\$811,807	\$1,927,409	\$51,786	\$1,875,623	\$4,170,669

Schools with <70% passing rate for any subgroup must give \$3,000 to education service center (Region IV)

Office of Superintendent of Schools
Board of Education Meeting of October 11, 2012

Office of School Support
Mark Smith, Chief School Support Officer

**SUBJECT: APPROVAL OF FALL 2012 CLASS-SIZE WAIVER REQUESTS AND
CLASS-SIZE REDUCTION PLAN AND TRANSMITTAL OF REPORT
TO THE TEXAS EDUCATION AGENCY**

Each school district in Texas is required to conduct a class-size enrollment survey for grades kindergarten through four. Prekindergarten classes are no longer covered by the 22:1 student/teacher ratio requirement. If any section(s) in grades kindergarten through four exceeds the allowable class-size limit of 22:1, the Houston Independent School District (HISD) must submit a class-size waiver request. Class-size waivers may be granted by the Commissioner of Education only in cases of hardship. HISD is required to document its efforts to alleviate the existing hardship(s) with the class-size waiver request. Class-size surveys conducted on September 28, 2012 were used to determine the number of waivers needed. The waiver report, which includes the class-size waiver requests and the class-size reduction plan, must be approved by the Board of Education before it is submitted to the Texas Education Agency.

A class-size waiver document is on file in Board Services.

COST/FUNDING SOURCE(S): None

STAFFING IMPLICATIONS: None

ORGANIZATIONAL GOALS/IMPACT: This agenda item supports HISD Goal 1: Increase Student Achievement and is aligned to Core Initiative 1: Effective Teacher in Every Classroom. The number of waivers requested indicates the need for additional teachers and classroom space to meet the state mandate.

THIS ITEM DOES REQUIRE CONSULTATION.

THIS ITEM DOES NOT ESTABLISH, MODIFY, OR DELETE BOARD POLICY.

RECOMMENDED: The Board of Education approves the 2012–2013 class-size waiver requests and class-size reduction plan for transmittal to the Texas Education Agency, effective October 12, 2012.

Office of Superintendent of Schools
Board of Education Meeting of October 11, 2012

Office of School Support
Mark Smith, Chief School Support Officer

**SUBJECT: APPROVAL OF THE CAMPUS PERFORMANCE OBJECTIVES
CONTAINED IN THE EXECUTIVE SUMMARIES OF SCHOOL
IMPROVEMENT PLANS FOR THE 2012–2013 SCHOOL YEAR**

In accordance with Texas Education Code Section 11.251, schools are required to submit campus performance objectives that are part of the School Improvement Plan (SIP) to the Houston Independent School District (HISD) Board of Education for approval. The plans are approved by each school's faculty and are revised annually. Chief school officers are responsible for reviewing the plans for their schools and ensuring that they meet all state and local requirements.

Each school has prepared an executive summary of its SIP that includes condensed information about the school, the targeted areas of need, and the goals, objectives, and major strategies.

A copy of each executive summary is on file in Board Services.

COST/FUNDING SOURCE(S): None

STAFFING IMPLICATIONS: None

ORGANIZATIONAL GOALS/IMPACT: This agenda items supports HISD Goal 1:
Increase Student Achievement and is
aligned to Core Initiative 3: Rigorous
Instructional Standards and Supports.

THIS ITEM DOES REQUIRE CONSULTATION.

THIS ITEM DOES NOT ESTABLISH, MODIFY, OR DELETE BOARD POLICY.

RECOMMENDED: That the Board of Education approve the campus performance objectives contained in the executive summaries of School Improvement Plans for the 2012–2013 school year, effective October 12, 2012.

Office of the Superintendent of Schools
Board of Education Meeting of October 11, 2012

Office of Academic Services
Mark Smith, Chief School Support Officer

**SUBJECT: AUTHORIZATION FOR THE SUPERINTENDENT OF SCHOOLS TO
APPOINT SUBMITTERS FOR APPROVAL OF TEXAS EDUCATION
AGENCY SECURE ENVIRONMENT APPLICATIONS**

The Texas Education Agency (TEA) requires the superintendent of schools to electronically approve Houston Independent School District (HISD) staff member requests for access to TEA Secure Environment (TEA SE) applications containing confidential data on TEA's secure Internet site. The electronic approval process eliminates printing, signing, faxing, and storing of paperwork.

In accordance with TEA guidelines, submitters may be named by the superintendent to carry out approval functions, with approval from the Board of Education. TEA requires submission of the Board of Education meeting minutes as evidence thus requiring this board agenda item. As such, it is requested that the board authorize the following persons to act as superintendent submitters for approving staff member requests (also referred to as "submitting requests to TEA") for access to one or more TEA Web applications accessed through the TEA SE:

- Sharon Eaves, General Manager Budgeting and Financial Planning
Kenneth Huewitt, Controller
(Submitters and Approvers of PEIMS Financials and grants in Finance division)
- Mark White, Senior Manager, Federal and State Compliance Department
Mark Smith, Chief School Support Officer
(Primary Request Submitter Designees in User Administration+)
- Annetra Piper, Manager, Grant Development Department
Julie Baker, Chief Major Projects Officer
(Secondary Request Submitters for eGrants)

This authorization is valid from October 13, 2012 to October 12, 2013.

COST/FUNDING SOURCE(S): None

STAFFING IMPLICATIONS: None

ORGANIZATIONAL GOALS/IMPACT: This agenda item supports HISD Goal 4: Increase Management Effectiveness and Efficiency and is aligned to Core Initiative 5: Culture of Trust through Action.

THIS ITEM DOES NOT ESTABLISH, MODIFY, OR DELETE BOARD POLICY.

THIS ITEM DOES NOT REQUIRE CONSULTATION.

RECOMMENDED: That the Board of Education authorize the superintendent of schools to appoint submitters for approval of Texas Education Agency Secure Environment applications, effective October 12, 2012.

Office of the Superintendent of Schools
Board of Education Meeting of October 11, 2012

Office of Human Resources
Rodney Watson, Chief Human Resources Officer

SUBJECT: APPROVAL OF INCENTIVE PAYMENT MODEL FOR APOLLO 20 FELLOWS FOR THE 2012–2013 SCHOOL YEAR

Beginning with the 2010–2011 school year, the Houston Independent School District (HISD) designated a number of campuses for the Apollo 20 Program. These schools receive a number of distinct services to improve student performance, including tutoring for students in math and reading. Incentive payments for employees hired specifically for tutoring assists in meeting the research-driven tenets of this program, aimed at turning around our lowest performing schools. At its October 13, 2011 meeting, the Board of Education approved the 2011–2012 Incentive Payment Model for Apollo 20 Fellows. It was amended at its January 12, 2012 meeting to revise the student assessments upon which the incentive is based, to align with those used in the 2011–2012 Performance Pay Model for Apollo 20 Principals, School Improvement Officers, and Academic Program Officers.

Four high schools, five middle schools, and eleven elementary schools were part of the Apollo 20 program for 2011–2012 and these same schools will continue for 2012–2013. These campuses have been allotted 275 Apollo 20 Fellows to conduct this tutoring.

A detailed description of the amended Apollo 20 Fellows Student Performance Incentive Payment Model is attached. The program includes an Attendance Incentive Payment and a Student Performance Incentive Payment. There are no changes proposed to the Student Performance Incentive component for 2012–2013.

The total cost of the program will not exceed \$1,491,188 (i.e., the number of positions established (275) multiplied by the budgeted incentive payment per tutor (\$5,000), plus fringe benefits). Various sources are being used to fund this incentive, including private funds raised, Texas Title I Priority Schools (TTIPS) grant and general funds. Payments will be made in accordance with the grant funding deadlines.

COST/FUNDING SOURCE(S):	The total cost for this program will not exceed \$1,491,188 (\$560,000 SR1-XX-6117-XXX-30-AP6-AP6) (\$47,320 SR1-XX-614X-XXX-30-AP6-AP6) (\$510,000 SR1-XX-6117-XXX-30-AP7-AP7) (\$43,095 SR1-XX-614X-XXX-30-AP7-AP7)
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(\$305,000 GF1-XX-6117-XXX-10-138-138)
(\$25,773 GF1-XX-614X-XXX-10-138-138).

STAFFING IMPLICATIONS: None

ORGANIZATIONAL GOALS/IMPACT: This agenda item supports HISD Goal 1: Increase Student Achievement, HISD Goal 2: Improve Human Capital, HISD Goal 5: Improve Public Support and Confidence in Schools, and HISD Goal 6: Create a Positive District Culture. The item is aligned to Core Initiative 3: Rigorous Instructional Standards and Supports and Core Initiative 4: Data Driven Accountability.

THIS ITEM DOES REQUIRE CONSULTATION.

THIS ITEM DOES NOT ESTABLISH, MODIFY, OR DELETE BOARD POLICY.

RECOMMENDED: That the Board of Education approve the 2012–2013 Incentive Payment Model for Apollo 20 Fellows, effective October 12, 2012.

2012-2013 Apollo 20 Fellows Incentive Program

Attendance Incentive Payment Model

There are two components to the 2012–2013 Apollo 20 Fellows Incentive Program – an incentive for employee attendance and an incentive for student performance. This describes the Employee Attendance Component.

Employee Attendance Component

Maximum Incentive Amount = \$1,500

Apollo 20 Fellows who have perfect attendance (0.00 hours) during each month of the 10-month commitment are eligible to receive a maximum of \$1,500. Incentive payment determinations will be made and installments will be dispensed according to the 2012–2013 HISD Pay Day Schedule for Tutors. Fellows who have perfect attendance (0.00 hours) during a calendar month are eligible to receive \$150 for that month.

2012-2013 Apollo 20 Fellows Incentive Program

Student Performance Incentive Payment Model

There are two components to the 2012–2013 Apollo 20 Fellows Incentive Program – an incentive for employee attendance and an incentive for student performance. This describes the Student Performance Component.

Student Performance Component

Apollo 20 Fellows are eligible to receive an incentive, determined by student performance of students they are linked to, at the campus they are assigned to. The Student Performance Component of the award will be paid out after the start of the following school year, once final corrected STAAR and Stanford/Aprenda data have been received and award amounts compiled. In the absence of two years of matching state or national assessment data, awards will be calculated using diagnostic test scores from the beginning of the year (Fall 2012) and the end of the year (Spring 2013).

Apollo 20 Fellows will be awarded in two strands, one for maintaining students already at a high level of achievement and one for raising all other students' achievement. The total incentive payment is the sum of the amount awarded for each strand, subject to adjustments for the number of students tutored and the campus budget.

Strand One: Student Achievement

Elementary Schools

For all students linked to the Fellow who ranked at the 80th percentile or higher on the HISD distribution of STAAR, Stanford/Aprenda (or diagnostic) in 2012, \$250 will be awarded for each student who ranks at the 80th percentile or higher on the HISD distribution of STAAR, Stanford/Aprenda (or diagnostic) in 2013. Ranks for students in grades 2 and 3 in 2013 will use Stanford/Aprenda as the primary assessment followed by the diagnostic test. Ranks for students in grades 4 and 5 in 2013 will use STAAR as the primary assessment and Stanford/Aprenda as the main alternative followed by the diagnostic test.

Middle Schools

For all students linked to the Fellow who ranked at the 80th percentile or higher on the HISD distribution of STAAR, Stanford/Aprenda (or diagnostic) in 2012, \$300 will be awarded for each student who ranks at the 80th percentile or higher on the HISD distribution of STAAR, Stanford/Aprenda (or diagnostic) in 2013. Ranks for students in grades 6, 7 and 8 in 2013 will use STAAR as the primary assessment and Stanford/Aprenda as the main alternative followed by the diagnostic test.

High Schools

For all students linked to the Fellow who ranked at the 80th percentile or higher on the HISD distribution of STAAR in grade 8, STAAR-EOC in grade 9 or TAKS in grade 10 (or diagnostic) in 2012, \$250 will be awarded for each student who ranks at the 80th percentile or higher on the HISD distribution of TAKS for grade 11 (or diagnostic) in 2013 and for each student who ranks at the 80th percentile rank on the HISD distribution of STAAR-EOC for grades 9 or 10 (or diagnostic) in 2012.

Strand Two: Student Improvement

Elementary Schools

For all students linked to the Fellow who ranked below the 80th percentile or higher on the HISD distribution of STAAR, Stanford/Aprenda (or diagnostic) in 2012, \$25 will be awarded for each percentile point increase on the HISD distribution of STAAR, Stanford/Aprenda (or diagnostic) in 2013. Ranks for students in grades 2 and 3 in 2013 will use Stanford/Aprenda as the primary assessment followed by the diagnostic test. Ranks

2012-2013 Apollo 20 Fellows Incentive Program

Student Performance Incentive Payment Model

for students in grades 4 and 5 in 2013 will use STAAR as the primary assessment and Stanford/Aprenda as the main alternative followed by the diagnostic test.

Middle Schools

For all students linked to the Fellow who ranked below the 80th percentile on the HISD distribution of STAAR, Stanford/Aprenda (or diagnostic) in 2012, \$30 will be awarded for each percentile point increase on the HISD distribution of STAAR, Stanford/Aprenda (or diagnostic) in 2013. Ranks for students in grades 6, 7 and 8 in 2013 will use STAAR as the primary assessment and Stanford/Aprenda as the main alternative followed by the diagnostic test.

High Schools

For all students linked to the Fellow who ranked below the 80th percentile on the HISD distribution of STAAR in grade 8, STAAR EOC in grade 9 or TAKS in grade 10 (or diagnostic) in 2012, \$25 will be awarded for each percentile point increase on the HISD distribution of TAKS for grade 11 (or diagnostic) in 2012 and for each percentile point increase on the HISD distribution of STAAR-EOC for grades 9 or 10 (or diagnostic) in 2013.

Adjustments for Number of Students

In the event that a Fellow has more students linked to him or her than is possible within a two-to-one ratio (for middle school and high school) and a three-to-one ratio (for elementary school), an adjustment will be made to that Fellow's total incentive payment.

If the total number of students linked to a Fellow exceeds the maximum linkages for that school's schedule, then the Fellow's earned student performance incentive will be adjusted according to the following formula:

$$E_{adj} = (E/T) * M$$

Where:

E_{adj} = Fellow Earned Student Performance Incentive adjusted for number of student linkages

E = Fellow Earned Student Performance Incentive (sum of Strands 1 and 2)

T = Total number of student linkages, for students with data used in the analysis

M = Maximum number of student linkages possible in 2-to-1 ratio for middle school and high school and a 3-to-1 ratio for elementary school, as defined by the Apollo 20 program

Adjustments for Campus Budget

Each Apollo 20 campus has an established budget for this component of the Apollo 20 Fellows Incentive Program, which is \$3,500 per Fellow multiplied by the number of Fellows assigned to that campus. The maximum amount that can be awarded to all Fellows at each campus is limited to this budgeted amount.

If the total amount awarded to all Fellows at a campus exceeds the campus budget, then each Fellow's incentive payments will be pro-rated according to the following formula:

$$IP = (E_{adj} / S) * (N * \$3,500)$$

Where:

IP = Fellow Incentive Payment

E_{adj} = Fellow Earned Student Performance Incentive adjusted for number of student linkages

S = sum of all Fellows' Earned Student Performance Incentives at Campus X

N = number of Fellows at Campus X at the date designated for student-tutor linkage

Office of the Superintendent of Schools
Board of Education Meeting of October 11, 2012

Office of Human Resources
Rodney E. Watson, Chief Human Resources Officer

SUBJECT: APPROVAL OF INCENTIVE PAYMENT MODEL FOR APOLLO 20 PRINCIPALS, SCHOOL IMPROVEMENT OFFICERS, AND ACADEMIC PROGRAM MANAGERS FOR THE 2012–2013 SCHOOL YEAR

Beginning with the 2010–2011 school year, the Houston Independent School District (HISD) designated a number of campuses for the Apollo 20 Program. These schools receive a number of distinct services to improve student performance, and each school has established specific long-term goals for those aspects of student performance that are most in need of improvement.

At its November 10, 2011 meeting, the Board of Education approved the 2011–2012 Performance Pay Model for Apollo 20 Principals, School Improvement Officers, and Academic Program Managers. All assist in meeting the research-driven tenets of this program, aimed at turning around 20 of the district's lowest performing schools.

Four high schools, five middle schools and eleven elementary schools are a part of the Apollo 20 Program for 2012–2013. Principals at the Apollo 20 schools will be eligible for performance pay tied to goals set by each campus. Each principal at a high school can receive up to \$30,000, at a middle school up to \$20,000, and at an elementary school up to \$10,000. School Improvement Officers can receive up to \$15,000 and academic program managers can receive up to \$4,500. Performance pay is earned through a combination of meeting goals or making progress towards these goals in three strands – 1) student attendance, 2) student achievement, and 3) student grade level performance for elementary and middle schools or graduation/promotion for high schools.

A description of the Apollo 20 Principals, School Improvement Officers and Academic Program Managers Incentive Payment Model is attached. Specific campus goals, targets for 2012–2013 and actual values for 2011–2012 for each of the metrics in the model will be on file in Board Services, once the 2011–2012 actual values are compiled and the 2012–2013 targets established.

The total cost of the program will not exceed \$528,000 -- the number of principals (20), school improvement officers (3) and academic program managers (3) multiplied by each employee's maximum performance payment, plus fringe benefits. Various sources are being used to fund this performance pay model, including the Texas Title I Priority Schools (TTIPS) grants awarded to the four high schools,

private grant funds raised for the five middle schools, and general funds for the eleven elementary schools. Payments will be made in accordance with the grant funding deadlines.

COST/FUNDING SOURCE(S): The total cost for this program will not exceed \$528,000
(\$175,000 SR1-23-6117-XXX-30-AP7-AP7)
(\$14,788 SR1-23-614X-XXX-30-AP7-AP7)
(\$144,500 SR1-23-6117-XXX-30-AP6-AP6)
(\$12,210 SR1-23-614X-XXX-30-AP6-AP6)
(\$167,000 GF1-23-6117-XXX-11-139-139)
(\$14,112 GF1-23-614X-XXX-11-139-139).

STAFFING IMPLICATIONS: None

ORGANIZATIONAL GOALS/IMPACT: This agenda item supports HISD Goal 1: Increase Student Achievement, HISD Goal 2: Improve Human Capital, HISD Goal 5: Improve Public Support and Confidence in Schools, and HISD Goal 6: Create a Positive District Culture. The item is also aligned with Core Initiative 2: Effective Principal in Every School and Core Initiative 4: Data-Driven Accountability.

THIS ITEM DOES REQUIRE CONSULTATION.

THIS ITEM DOES NOT ESTABLISH, MODIFY, OR DELETE BOARD POLICY.

RECOMMENDED: That the Board of Education approve the 2012–2013 Incentive Payment Model for Apollo 20 Principals, School Improvement Officers, and Academic Program Managers, effective October 12, 2012.

2012-2013 Apollo 20 Principals, School Improvement Officers and Academic Program Managers Incentive Payment Model

There are three strands of the 2012–2013 Apollo 20 Principals, School Improvement Officers and Academic Program Managers Incentive Payment Model, with each strand accounting for one-third of the total incentive payment. These strands are calculated separately and summed to arrive at the total incentive payment. The maximum incentive payment is \$30,000 for high school principals, \$20,000 for middle school principals, \$10,000 for elementary school principals, \$15,000 for school improvement officers and \$4,500 for academic program managers.

For each campus, a specific target level is established in each strand metric for the 2012–2013 school year, based on the 2011–2012 actual level and for strands one and three, the program's desired long-term goal in 2012–2013 (High School and Middle School) or 2013–2014 (Elementary School). If the 2012–2013 target level is met or exceeded, the principal has the potential to receive the maximum amount for that strand.

For every strand, principals are able to receive pro-rated amounts for achieving progress towards the goal, based on a linear calculation method according to the following formula:

$$IP = M * ((A1213 - A1112) / (T1213 - A1112))$$

Where:

IP = Incentive Pay for Strand or Strand Component

M = Maximum Incentive Pay Amount for Strand or Strand Component

A1213 = Actual Level for 2012–2013 at Campus X

A1112 = Actual Level for 2011–2012 at Campus X

T1213 = Target Level for 2012–2013 at Campus X

All above calculations will be rounded to the nearest tenth prior to determining the award.

If $A1213 \geq T1213$, the principal receives the maximum amount for that strand or strand component.

Strand One: Student Attendance

Maximum Incentive Pay Amounts

High School Principals = \$10,000

Middle School Principals = \$6,667

Elementary School Principals = \$3,333

School Improvement Officers = \$5,000

Academic Program Managers = \$1,500

For this strand, high schools, middle schools and elementary schools have the same criterion. Principals who meet or exceed their specific campus target level, based on a student attendance criterion common to all schools, are eligible to receive the maximum incentive. In determining these awards, performance calculated to the hundredths will be rounded to the nearest tenths.

Values for school improvement officers and academic program managers will be calculated as the straight average of each campus at their level of the actual change in performance ($A1213 - A1112$) divided by the expected change in performance ($T1213 - A1112$).

2012-2013 Apollo 20 Principals, School Improvement Officers and Academic Program Managers Incentive Payment Model

Common Criterion

2012–2013 Attendance Rate (PEIMS)

Targets are set for 2012–2013 so high schools and middle schools and elementary schools would meet their long-term 2012–2013 goal for their school level and elementary schools would raise their actual attendance rates in 2012–2013 half-way to the long-term 2013–2014 goal for their school level. These goals are 95.0% for high school, 97.0% for middle school, and 98.0% for elementary school.

Strand Two: Student Achievement

Maximum Incentive Pay Amounts

High School Principals = \$10,000

Middle School Principals = \$6,667

Elementary School Principals = \$3,333

School Improvement Officers = \$5,000

Academic Program Managers = \$1,500

Principals who meet or exceed their specific campus target, based on a standard student achievement criterion common to all schools of their level, are eligible to receive the maximum incentive pay. For this strand, high schools have different criteria than middle schools and elementary schools, based on subjects and grades in which specific assessments are given. High school principals will earn \$1,000 (\$10,000 / 10) for every target met. Middle school principals will earn \$1,333 (\$6,667 / 5) for every target met. Elementary school principals will earn \$833 (\$3,333 / 4) for every target met. In determining these awards, performance calculated to the tenths will be rounded to the nearest whole number.

Values for school improvement officers and academic program managers will be calculated as the straight average of each campus at their level of the actual change in performance (A1213 - A1112) divided by the expected change in performance (T1213 - A1112), subject by subject. Awards will be determined separately for each subject and summed, with maximum amounts for each subject calculated as the overall maximum divided by the number of subjects within the school level that applies.

High Schools

Common Criteria

HISD TAKS and STAAR-EOC Passing Rates

For grades 9 and 10, the target is 100 percent passing the STAAR-EOC in the subject areas of Mathematics and Reading/ELA. Tests will include Algebra I, Geometry and Algebra II (which will be aggregated), English I Reading, English I Writing, English II Reading and English II Writing. For grade 11, the target is 100 percent passing the TAKS for each subject test: English language arts, Mathematics, Science, and Social Studies. The accountability subset of students based on the fall PEIMS snapshot will be used in the calculations.

2012-2013 Apollo 20 Principals, School Improvement Officers and Academic Program Managers Incentive Payment Model

Middle and Elementary Schools

Common Criteria

HISD STAAR Passing Rate

For all grades, the target is 100 percent passing the STAAR. The subjects included are Mathematics, Reading, Science, Social Studies and writing for middle schools and Mathematics, Reading, Science and writing for elementary schools. The accountability subset of students based on the fall PEIMS snapshot will be used in the calculations.

Strand Three: Student Grade Level Performance or Graduation/Promotion

Maximum Incentive Pay Amounts

High School Principals = \$10,000

Middle School Principals = \$6,667

Elementary School Principals = \$3,333

School Improvement Officers = \$5,000

Academic Program Managers = \$1,500

Principals who meet or exceed their specific campus target goals, based on student grade level performance for middle schools and elementary schools and based on student graduation and promotion for high schools, are eligible to receive the incentive. For this strand, each criterion has two components. For all principals, one-half of their strand award will be based on meeting the target goal for each criteria. Their total payment for this strand will be the sum of their award for each component. In determining these awards, performance will be rounded to the nearest whole number (for on-grade level) and to the nearest whole tenths (for graduation and promotion rates).

Values for school improvement officers and academic program managers will be calculated as the straight average of each campus at their level of the actual change in performance (A1213 - A1112) divided by the expected change in performance (T1213 - A1112), separately for each criterion. One-half of their strand award will be based on meeting the target goal for each criterion.

High Schools

Common Criteria

2012–2013 12th Grade Graduation Rate

Percent of total graduates including summer graduates, divided by 12th grade ADA cumulative enrollment.

2012–2013 9th-11th Grade Promotion Rate

Percent of students promoted from grades 9, 10 and 11 combined in fall 2013 divided by enrollment for grades 9, 10 and 11 combined during the 2012–2013 school year

For each criterion, the target for 2012–2013 is set at the goal of 100% for 2012–2013.

2012-2013 Apollo 20 Principals, School Improvement Officers and Academic Program Managers Incentive Payment Model

Middle Schools

Common Criteria

Student Grade Level Performance: Reading

Grade level performance is defined as the percent of students at or above the 50th National Percentile Rank (NPR) on 2013 Stanford Reading for all grades combined. The accountability subset of students based on the fall PEIMS snapshot will be used in the calculations.

Student Grade Level Performance: Math

Grade level performance is defined as the percent of students at or above the 50th National Percentile Rank (NPR) on 2013 Stanford Mathematics for all grades combined. The accountability subset of students based on the fall PEIMS snapshot will be used in the calculations.

All students meeting credit and curriculum requirements applicable to students in general education will be included.

For each criterion, the target for 2012–2013 is set at the goal of 100% for 2012–2013.

Elementary Schools

Common Criteria

Student Grade Level Performance: Reading

Grade level performance is defined as the percent of students at or above the 50th National Percentile Rank (NPR) on 2013 Stanford/Aprenda Reading for all grades combined. The accountability subset of students based on the fall PEIMS snapshot will be used in the calculations.

Student Grade Level Performance: Math

Grade level performance is defined as the percent of students at or above the 50th National Percentile Rank (NPR) on 2013 Stanford/Aprenda Math for all grades combined. The accountability subset of students based on the fall PEIMS snapshot will be used in the calculations.

All students meeting credit and curriculum requirements applicable to students in general education will be included.

For each criterion, the target for 2012–2013 is set at the half-way point between the 2011–2012 actual value and a goal of 100% for 2012–2013.

Office of Superintendent of Schools
Board of Education Meeting of October 11, 2012

Office of Business Operations
Leo Bobadilla, Chief Operating Officer

**SUBJECT: AUTHORITY TO NEGOTIATE, EXECUTE, AND AMEND A
MEMORANDUM OF UNDERSTANDING WITH THE NATIONAL
WILDLIFE FEDERATION**

National Wildlife Federation (NWF) has worked successfully for nearly ten years with schools in the Houston Independent School District (HISD) with the goal of helping to close the achievement gaps for disadvantaged students and improve science and math learning through the use of outdoor environmental education.

In 2003, NWF began working with individual schools to train teachers and support the development of Schoolyard Habitats on the school grounds of primarily low-income schools.

In 2007, in partnership with HISD, NWF hosted its first Environmental Education Summit and launched a districtwide initiative to integrate Schoolyard Habitats into the HISD curriculum and train both teachers and curriculum specialists how to use outdoor classrooms effectively, particularly for science. To date, NWF has supported the development of 4525 Schoolyard Habitats in HISD, out of which 25-12 have received grant funds.

The proposed Eco-Schools USA initiative both expands and builds on the successful Schoolyard Habitat program between NWF and HISD and will allow for further expansion and development of the new Green School Challenge and provide grant opportunities. Eco-Schools USA provides schools with a larger green schools umbrella that supports the use of outdoor classrooms and offers schools a multitude of additional avenues to achieve their sustainability goals while improving academic achievement. The Eco-Schools USA program is the perfect complement to HISD's sustainability initiative because it not only fosters a more holistic approach to environmental education and environmental literacy, but it also has the capacity to save schools money through energy saving and other efficiencies.

Eco-Schools USA builds off NWF's successful Schoolyard Habitat work in HISD and supports HISD's voluntary Green School Challenge by helping schools develop and implement plans to green their schools and achieve benchmarks towards: (1) greening the buildings, (2) greening the grounds, and (3) greening the student experiences. To date, 30 schools have registered in the Green School Challenge.

It is requested that the HISD Board of Education authorize the superintendent of schools or a designee to negotiate, execute, and amend a Memorandum of Understanding.

COST/FUNDING SOURCE(S): None

STAFFING IMPLICATIONS: None

ORGANIZATIONAL GOALS/IMPACT: This agenda item supports HISD Goal 1: Increase Student Achievement and is aligned with Core Initiative 5: Culture of Trust through Action.

THIS ITEM DOES NOT REQUIRE CONSULTATION.

THIS ITEM DOES NOT ESTABLISH, MODIFY, OR DELETE BOARD POLICY.

RECOMMENDED: That the Board of Education authorize the superintendent of schools or a designee to negotiate, execute, and amend a Memorandum of Understanding with the National Wildlife Federation, effective October 12, 2012.

Office of Superintendent of Schools
Board of Education Meeting of October 11, 2012

Office of Chief Operating Officer
Leo Bobadilla, Chief Operating Officer

SUBJECT: AUTHORITY TO NEGOTIATE, EXECUTE, AND AMEND A LEASE AGREEMENT WITH THE CITY OF HOUSTON FOR THE CITY PARK LOCATED ADJACENT TO THE FORMER BUCHANAN GRIMES ELEMENTARY SCHOOL SITE

The Houston Independent School District (HISD) has had a long-term lease agreement with the City of Houston (City) for the use of a 9.7-acre tract of land adjacent to the former Buchanan Grimes Elementary School site for a City park. The City constructed improvements on the property including a basketball pavilion and a high-end baseball field with lights, thus providing a City park to be utilized by the community. The City has requested that the district renew this agreement for an additional five-year term. The current agreement will expire on November 15, 2012.

Approval of this lease agreement would allow the community and citizens of HISD to continue to use and enjoy this City park and would ensure that the site would continue to be maintained by the City. It would also be beneficial to HISD students living in the area through continued use of the public park improvements that would be made available to them through the use of this property.

The new agreement would be for a term not to exceed five years, with either party having the right to terminate without cause or for convenience with written notice not to exceed 90 days to the other party. Rental would be \$1 for the entire term.

COST/FUNDING SOURCE(S): None

STAFFING IMPLICATIONS: None

ORGANIZATIONAL GOALS/IMPACT: This agenda item supports HISD Goal 4: Increase Management Effectiveness and Efficiency and is aligned to Core Initiative 4: Data-Driven Accountability.

THIS ITEM DOES NOT REQUIRE CONSULTATION.

THIS ITEM DOES NOT ESTABLISH, MODIFY, OR DELETE BOARD POLICY.

RECOMMENDED: That the Board of Education authorize the superintendent of schools, or designee, to negotiate, execute, and amend a lease agreement with the City of Houston for the City park located adjacent to the former Buchanan Grimes Elementary School site, effective October 12, 2012.

Office of Superintendent of Schools
Board of Education Meeting of October 11, 2012

Office of Business Operations
Leo Bobadilla, Chief Operating Officer

SUBJECT: AUTHORITY TO NEGOTIATE, EXECUTE, AND AMEND ALL NECESSARY CONTRACTS FOR THE RENOVATION OF JAMES OATES ELEMENTARY SCHOOL AND APPROVAL OF AN ADJUSTMENT IN THE BUDGET AND CONTINGENCY ALLOWANCES

The Houston Independent School District (HISD) 2007 bond election approved the renovation of James Oates Elementary School. The HISD Board of Education approved the award of a design contract for the renovation at Oates Elementary School on January 20, 2009.

On April 12, 2012, the HISD Board of Education approved award of a construction contract to Drymalla Construction Company for the renovation of Oates Elementary School.

Since that approval, there have been additional unforeseen conditions for the mechanical system upgrades. Both chiller pumps need to be replaced, which were not in the original scope. Additional unforeseen structural support is required for a rooftop packaged unit for the kitchen. Additional roof repairs are also required for installation of this rooftop packaged unit to maintain the current roof warranty. An increase in the construction contingency is necessary for the repairs to address these mechanical, structural, and roofing issues. Additional design services are also required for this work.

Approval of this item will authorize the superintendent of schools or a designee to negotiate, execute, and amend all necessary contracts to implement the work.

The requested increase is as follows:

Project	Requested Increase to Design Contingency Allowance	Requested Increase to Construction Contingency Allowance	Total
Oates Elementary School	\$6,000	\$84,000	\$90,000

COST/FUNDING SOURCE(S): There will be an increase to the overall project budget by \$90,000 which will be funded from the 2007 Bond funds (CP1 81-6630-212-99-814-814 CP1 81-6623-212-99-814-814).

STAFFING IMPLICATIONS: None

ORGANIZATIONAL GOALS/IMPACT: This agenda item supports HISD Goal 4: Increase Management Effectiveness and Efficiency and is aligned to Core Initiative 4: Data-Driven Accountability.

THIS ITEM DOES NOT REQUIRE CONSULTATION.

THIS ITEM DOES NOT ESTABLISH, MODIFY, OR DELETE BOARD POLICY.

RECOMMENDED: That the Board of Education authorize the superintendent of schools or a designee to negotiate, execute, and amend all necessary contracts for the renovation of James Oates Elementary School and approve an increase in the budget and increases in both the design and construction contingencies in the total amount of \$90,000, effective October 12, 2012.

Office of Superintendent of Schools
Board of Education Meeting of October 11, 2012

Office of Business Operations
Leo Bobadilla, Chief Operating Officer

SUBJECT: AUTHORITY TO NEGOTIATE, EXECUTE, AND AMEND ALL NECESSARY CONTRACTS FOR THE RENOVATION OF STEPHEN F. AUSTIN HIGH SCHOOL AND APPROVAL OF AN ADJUSTMENT IN THE BUDGET AND CONTINGENCY ALLOWANCES

The Houston Independent School District (HISD) 2007 bond election approved the renovation of Stephen F. Austin High School. The HISD Board of Education approved the award of a design contract for the renovation at Austin High School on January 20, 2009.

On January 12, 2012, the HISD Board of Education approved award of a construction contract to DT Construction for the renovation of Austin High School.

Since that approval, there have been additional unforeseen conditions discovered with the plumbing systems. In addition, the City of Houston is requiring additional life safety improvements. These improvements are needed to continue to provide students with a safe and healthy learning environment and will, to the greatest extent possible, be incorporated in the work proposed as part of the 2012 bond program.

The gym bleachers also need to be replaced due to safety concerns. These bleachers will be reused as part of the proposed 2012 bond program. Additional design services are required for this work.

Approval of this item will authorize the superintendent of schools or a designee to negotiate, execute, and amend all necessary contracts to implement the work.

The requested increase is as follows:

Project	Requested Increase to Design Contingency Allowance	Requested Increase to Construction Contingency Allowance	Total
Austin High School	\$25,000	\$350,000	\$375,000

COST/FUNDING SOURCE(S): There will be an increase to the overall project budget by \$375,000 which will be funded from the 2007 Bond funds (CP1 81-6630-001-99-814-814 CP1 81-6623-001-99-814-814).

STAFFING IMPLICATIONS: None

ORGANIZATIONAL GOALS/IMPACT: This agenda item supports HISD Goal 4: Increase Management Effectiveness and Efficiency and is aligned to Core Initiative 4: Data-Driven Accountability.

THIS ITEM DOES NOT REQUIRE CONSULTATION.

THIS ITEM DOES NOT ESTABLISH, MODIFY, OR DELETE BOARD POLICY.

RECOMMENDED: That the Board of Education authorize the superintendent of schools or a designee to negotiate, execute, and amend all necessary contracts for the renovation of Stephen F. Austin High School and approve an increase in the budget and increases in both the design and construction contingencies in the amount of \$375,000, effective October 12, 2012.

Office of Superintendent of Schools
Board of Education Meeting of October 11, 2012

Office of Business Operations
Leo Bobadilla, Chief Operating Officer

SUBJECT: APPROVAL OF CONSTRUCTION AND DESIGN CONTINGENCY ALLOWANCES FOR THE RENOVATION/ADDITION TO JOHN MCREYNOLDS MIDDLE SCHOOL AND AUTHORITY TO NEGOTIATE, EXECUTE, AND AMEND ALL RELATED CONTRACTS

The Houston Independent School District (HISD) 2007 bond election approved the renovation addition of John McReynolds Middle School. On April 9, 2009, the HISD Board of Education approved the award of a design contract for this project.

On May 20, 2010, the HISD Board of Education authorized the superintendent of schools or a designee to negotiate, execute, and amend a construction manager-at-risk (CMAR) contract with Satterfield and Pontikes Construction, Inc.

On March 8, 2012, the HISD Board of Education approved award of a CMAR guaranteed maximum price contract with Satterfield and Pontikes Construction, Inc.

Since that approval, there have been additional unanticipated requirements for construction changes due to unforeseen conditions with the existing heating, ventilation and air conditioning systems, along with other capital improvements, that need to be repaired and or replaced. There was also additional work performed on the transportable buildings that was required by the City of Houston.

Due to these additional and unforeseen requirements, an increase in the construction contingency allowance for the McReynolds Middle School renovation project in the amount of \$525,000 is requested. An increase in the design contingency allowance in the amount of \$15,000 is also requested. There will be no increase in the overall project budget.

Approval of this item will authorize the superintendent of schools or a designee to negotiate, execute, and amend all necessary contracts to implement the work.

The requested increase is as follows:

Project	Requested Increase to Design Contingency Allowance	Requested Increase to Construction Contingency Allowance	Total
McReynolds Middle School	\$15,000	\$525,000	\$540,000

COST/FUNDING SOURCE(S): No increase in the overall project budget is required. The total design and construction contingency increase shall not exceed \$540,000 and will be funded by the 2007 Bond Program funds (CP1 81-6630-062-99-814-814 CP1 81-6623-062-99-814-814).

STAFFING IMPLICATIONS: None

ORGANIZATIONAL GOALS/IMPACT: This agenda item supports HISD Goal 4: Increase Management Effectiveness and Efficiency and is aligned to Core Initiative 4: Data-Driven Accountability.

THIS ITEM DOES NOT REQUIRE CONSULTATION.

THIS ITEM DOES NOT ESTABLISH, MODIFY, OR DELETE BOARD POLICY.

RECOMMENDED: That the Board of Education approve an increase to the construction and design contingency allowances in the total amount of \$540,000 and authorize the superintendent of schools or a designee to negotiate, execute, and amend all necessary contracts for the John McReynolds Middle School renovation/addition, effective October 12, 2012.

Office of Superintendent of Schools
Board of Education Meeting of October 11, 2012

Office of Business Operations
Leo Bobadilla, Chief Operating Officer

SUBJECT: APPROVAL OF CONSTRUCTION AND DESIGN CONTINGENCY ALLOWANCES FOR RENOVATIONS TO JOHN R. HARRIS ELEMENTARY SCHOOL AND AUTHORITY TO NEGOTIATE, EXECUTE, AND AMEND ALL RELATED CONTRACTS

The Houston Independent School District (HISD) 2007 bond election approved the renovations of John R. Harris Elementary School. On January 22, 2009, the HISD Board of Education approved the award of a design contract for J.R. Harris Elementary School.

On April 12, 2012, the HISD Board of Education approved the award of the construction contract for the renovation of J.R. Harris Elementary School to Drymalla Construction Company.

Since that approval, there have been additional unanticipated requirements for design and construction changes due to unforeseen conditions with the existing control system for the heating, ventilation, and air conditioning system that need to be replaced. There are also minor roof repairs that are needed.

Due to these additional and unforeseen requirements, an increase in the construction contingency allowance for the J.R. Harris Elementary School renovation project in the amount of \$285,000 is requested. An increase in the design contingency allowance in the amount of \$15,000 is also requested. There will be no increase in the overall project budget.

Approval of this item will authorize the superintendent of schools or a designee to negotiate, execute, and amend all necessary contracts to implement the work.

The requested increase is as follows:

Project	Requested Increase to Construction Contingency Allowance	Requested Increase to Design Contingency Allowance	Total
J.R. Harris Elementary School	\$285,000	\$15,000	\$300,000

COST/FUNDING SOURCE(S): No increase in the overall project budget is required. The total design and construction contingency increase shall not exceed \$300,000 and will be funded by the 2007 Bond Program funds (CP1 81-6630-166-99-814-814 CP1 81-6623-166-99-814-814).

STAFFING IMPLICATIONS: None

ORGANIZATIONAL GOALS/IMPACT: This agenda item supports HISD Goal 4: Increase Management Effectiveness and Efficiency and is aligned to Core Initiative 4: Data-Driven Accountability.

THIS ITEM DOES NOT REQUIRE CONSULTATION.

THIS ITEM DOES NOT ESTABLISH, MODIFY, OR DELETE BOARD POLICY.

RECOMMENDED: That the Board of Education approve an increase to the construction and design contingency allowances in the total amount of \$300,000 and authorize the superintendent of schools or a designee to negotiate, execute, and amend all necessary contracts for the John R. Harris Elementary School renovation, effective October 12, 2012.

Office of Superintendent of Schools
Board of Education Meeting of October 11, 2012

Office of Business Operations
Leo Bobadilla, Chief Operating Officer

SUBJECT: APPROVAL TO PROVIDE FUNDING FOR CRITICAL AND EMERGENCY CAPITAL RELATED WORK AND AUTHORITY TO NEGOTIATE, EXECUTE, AND AMEND ALL ASSOCIATED CONTRACTS

The Houston Independent School District (HISD) Board of Education previously approved the use of capital funds to address critical and/or emergency repairs in schools. The practice has been that once these critical/emergency funds are expended or projected to be expended in the near future, staff members would submit an agenda item to the HISD Board of Education for approval of additional funds. Projects completed with these funds have included structural repairs, replacement of failed roofs, repair and/or replacement of air-conditioning units and boilers, and various other repairs associated with maintaining school operations and providing a safe and comfortable learning environment.

The administration requests that the HISD Board of Education approve the replenishment of capital funding for critical and emergency facility repairs. Replenishment of this funding will allow the Construction and Facility Services department to continue to focus its budgetary resources on routine maintenance items.

COST/FUNDING SOURCE(S): The total cost shall not exceed \$3,000,000 and will be funded from Capital Project Pay-As-You-Go funds (CP1 81-6610-920-99-616-616)

STAFFING IMPLICATIONS: None

ORGANIZATIONAL GOALS/IMPACT: This agenda item supports HISD Goal 4: Increase Management Effectiveness and Efficiency and is aligned to Core Initiative 5: Culture of Trust through Action.

THIS ITEM DOES NOT REQUIRE CONSULTATION.

THIS ITEM DOES NOT ESTABLISH, MODIFY, OR DELETE BOARD POLICY.

RECOMMENDED: That the Board of Education approve the request for replenishment of funding for critical and/or emergency needs for district facilities and authorize the superintendent of schools or a designee to negotiate, execute, and amend all contracts associated with implementing this work, effective October 12, 2012.

Office of Superintendent of Schools
Board of Education Meeting of October 11, 2012

Office of Business Operations
Leo Bobadilla, Chief Operating Officer

**SUBJECT: AUTHORITY TO AMEND TERM AGREEMENTS WITH
CONSTRUCTION MANAGER PROGRAM ADMINISTRATORS FOR
THE 2007 FACILITIES CAPITAL PROGRAM**

On August 14, 2008, the Houston Independent School District (HISD) Board of Education approved a recommendation to initiate contract negotiations with five firms, ATSER, LP; AECOM (formerly DMJM Management); Johnston, LLC; Rice & Gardner Consultants, Inc.; and Turner Construction & The Trevino Group, to act as Construction Manager Program Administrators (CM/PA) for the 2007 Facilities Capital Program.

On January 15, 2009, the HISD Board of Education authorized the superintendent of schools or a designee to negotiate and execute contracts with the five CM/PA firms listed above for the 2007 Facilities Capital Program.

On December 10, 2009, the HISD Board of Education authorized the superintendent of schools or a designee to amend term agreements with the five CM/PA firms for the 2007 Facilities Capital Program.

On March 8, 2012, the HISD Board of Education authorized the superintendent of schools or a designee to amend the term agreement with the CM/PA firm of Rice Gardner Consulting, Inc. for the 2007 Facilities Capital Program.

On May 10, 2012, the HISD Board of Education authorized the superintendent of schools or a designee to further negotiate, execute, and amend term agreements with the CM/PA firms for the 2007 Facilities Capital Program.

Funds from Trustee allocations have been awarded to various projects for additional scope of work. In accordance with contract provisions, CMPA firms shall be compensated for management of this additional scope of work. Therefore, it is recommended that the HISD Board of Education authorize the superintendent of schools or a designee to amend term agreements with each of these firms.

	<u>Current Not to Exceed Amount</u>	<u>Revised Not to Exceed Amount</u>
AECOM	\$6.8 million	\$7.2 million
Johnston LLC	\$8.0 million	\$8.3 million
Rice & Gardner	\$6.9 million	\$6.9 million
Turner & Trevino	\$6.3 million	\$6.7 million
Atser	\$7.6 million	\$8.3 million

COST/FUNDING SOURCE(S): No additional funding is required. The cost for this request will be funded by allocations from previously approved Board actions.

STAFFING IMPLICATIONS: None

ORGANIZATIONAL GOALS/IMPACT: This agenda item supports HISD Goal 4: Increase Management Effectiveness and Efficiency and is aligned to Core Initiative 4: Data-Driven Accountability.

THIS ITEM DOES NOT REQUIRE CONSULTATION.

THIS ITEM DOES NOT ESTABLISH, MODIFY, OR DELETE BOARD POLICY.

RECOMMENDED: That the Board of Education authorize the superintendent of schools or a designee to amend the term agreements with each of the construction managers/program administrators for the 2007 Facilities Capital Program, effective October 12, 2012.

Office of Superintendent of Schools
Board of Education Meeting of October 11, 2012

Office of Chief Financial Officer
Melinda Garrett, Chief Financial Officer

**SUBJECT: APPROVAL OF CONSULTANT AND PROFESSIONAL-SERVICE
CONTRACTS AND RATIFICATION OF BID WAIVER PROJECTS**

The purpose of this item is to authorize consultant contracts and professional-service contracts as required by board policy. According to current policy, the Houston Independent School District (HISD) Board of Education's approval is required for consultant contracts and professional services exceeding \$25,000 per engagement, inclusive of expenses, or for consultant contracts where payment to a consultant for the fiscal year has aggregated \$100,000, inclusive of all expenses. The attachment reflects a summary of proposed requests. Individual contracts are on-file in Board Services.

Additionally, in November 2009, the Board of Education approved a change to board policy delegating to the superintendent of schools authority to approve contracts for districtwide initiatives valued between \$10,000 and \$50,000, provided that any such contract be presented to the Board of Education at its next regularly scheduled meeting for ratification. The second attachment reflects a listing of the contracts approved by the superintendent of schools since the approval of the board policy change.

COST/FUNDING SOURCE(S): Funds for this recommended action are shown on the attached list.

STAFFING IMPLICATIONS: None

ORGANIZATIONAL GOALS/IMPACT: This agenda item supports HISD Goal 1: Increase Student Achievement and HISD Goal 4: Increase Management Effectiveness and Efficiency, and is aligned to Core Initiative 1: Effective Teacher in Every Classroom.

THIS ITEM DOES NOT REQUIRE CONSULTATION.

THIS ITEM DOES NOT ESTABLISH, MODIFY, OR DELETE BOARD POLICY.

RECOMMENDED: That the Board of Education approve the proposed consultant and professional-service contracts and ratify bid waiver projects, effective October 12, 2012.

SUMMARY OF CONSULTANT AND PROFESSIONAL-SERVICE REQUESTS

<u>Name</u>	<u>Using Department</u>	<u>Total Cost of This Request</u>	<u>Total Contracts to Date</u>	<u>Budget</u>
Laying the Foundation, Inc.	College and Career Readiness	\$234,500 \$13,320	\$0	SR1-13-62XX-682-41-DX4-DX4 SR1-13-6299-611-99-Z15-Z15

Laying the Foundation, Inc. (LTF) is the exclusive distributor of educational titles and training for and within the United States of America. LTF will provide professional development in the form of a one-day session and four-day institutes. A total of 14 one-day sessions for both middle and high school teachers will be offered on October 20, 2012 (\$42,000). This one-day session will provide teachers with support needed to implement Pre-AP strategies in English, Math and Science classrooms. A total of 15 four-day LTF Institutes will allow for 450 HISD Pre-AP teachers to receive an intense staff development opportunity designed to provide Pre-AP instructional strategies and resources both during and after training June 10-13, 2013 (\$180,000). In addition to the staff member development, science kits and LTF guides will be provided to teachers (\$3,000). Online access guides for teachers attending LTF Year One Training will also be provided (\$9,000). One LTF staff member will provide logistical support for both the fall and summer session (\$500). Continental breakfast will be provided for all HISD teachers at the one-day and the four-day sessions (\$13,320).

Term of Contract: October 20, 2012–June 14, 2013

Inquiry By Design	Curriculum and Instruction	Not to exceed \$100,000	\$0	GF1-21-6299-698-99-020-999
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Inquiry by Design (IBD) will conduct 17 one-day professional development institutes for up to 500 secondary content area teachers over non-consecutive days. Each one-day institute will accommodate up to 30 participants. IBD will charge an additional \$43 per person for materials for every participant over 30 per institute, to be invoiced separately. The trainings will address the relationship between close reading, difficult texts, and the TEKS. Participants will learn how inquiry-based teaching improves students' reading comprehension, interpretation, and writing skills. Each participant will receive one Teacher Manual and one Student Reader to support professional development beyond the institute.

Term of Contract: October 12, 2012–June 30, 2013

SUMMARY OF CONSULTANT AND PROFESSIONAL-SERVICE REQUESTS

<u>Name</u>	<u>Using Department</u>	<u>Total Cost of This Request</u>	<u>Total Contracts to Date</u>	<u>Budget</u>
The National Center for Urban School Transformation	School Support	\$631,441	\$0	GF1-21-6299- 600-619 -99-111-111

The Houston Independent School District (HISD) requests authority to amend its contract with The San Diego State Research Foundation, aka The National Center for Urban School Transformation (NCUST), for the 2012–2013 school year.

NCUST is a private not-for-profit organization. The district originally entered a three-year contract with NCUST for on-site educational services that would improve its schools rated academically unacceptable by the Texas Education Agency. This proposed contract amendment authorizes and memorializes the third year of services (the “Second Renewal Year”) incumbent in the original contract executed by HISD and NCUST on March 1, 2011. NCUST proposes to build upon its previous work with HISD leaders to improve the rigor of curricula, the effectiveness of instruction, the quality of the teaching/learning climate, the efficiency of organization, and the impact of leadership.

The proposed amendment for the 2012–2013 school year, incorporates additional services that will build the capacity of School Improvement Officers (SIO) to generate substantial improvements in academic results, particularly in those schools rated academically unacceptable. Those services include:

- establishing systems to monitor and support school improvement (using a model similar to Provider’s Advancing Principal Leadership in Urban Schools)
- increasing the amount of time NCUST’s executive coaches spend in direct support of SIOs
- providing individualized and network level assistance to principals based on identified needs and
- offering district leaders the opportunity to participate in the National Symposium on High-Performing Urban Schools.

Term of Contract: July 1, 2012–June 30, 2013

SUMMARY OF CONSULTANT AND PROFESSIONAL-SERVICE REQUESTS

<u>Name</u>	<u>Using Department</u>	<u>Total Cost of This Request</u>	<u>Total Contracts to Date</u>	<u>Budget</u>
The Glasscock School of Continuing Studies at Rice University	College and Career Readiness	\$93,925	\$0	SR1-13-6299-682-41-DX4-DX4

Since 1994, Glasscock School of Continuing Studies (GSCS) at Rice University has provided teachers with content knowledge and effective teaching strategies to address the learning needs of students in grades 6-12 in Pre-Advanced Placement and Advanced Placement (AP). To improve student achievement on AP exams, the High Schools Office will contract with the GSCS to provide an AP Fall Seminar (\$28,000) for 200 teachers on November 3, 2012. The AP Fall Seminar is designed to follow-up from the attendance at the AP Summer Institute as well as to provide all participants with professional development directly related to teaching AP strategies in the classroom. AP Exam Prep Workshop (\$28,000) for 200 teachers will be conducted on February 2, 2013. The goals of the AP Exam Prep Workshops are to provide exam prep strategies for the AP exams and scoring training for AP subject specific free response questions using College Board exam rubrics. GSCS will provide HISD Administrators and teachers with the opportunity to attend the Rice Urban Education Symposium (\$14,000) for 100 administrators in January, 2013. The goals of the Urban Education Symposium are to learn about innovative strategies on providing effective and rigorous instruction to students in an urban setting. GSCS will equip HISD World History teachers with the necessary tools to prepare students for the STAAR EOC exam (\$2,800). GSCS will provide HISD Algebra teachers a three-day workshop that will focus on conceptual knowledge and exemplary instructional strategies for the Algebra classroom (\$4,875). Lastly, to improve student achievement on AP exams, the College and Career Readiness department will contract with GSCS to provide HISD Social Studies teachers the opportunity to attend GSCS' Pre-AP Middle School Social Studies Skills three-day workshop that will focus on preparing students for the rigor of Pre-AP and AP and get them ready for the STAAR exam (\$16,250).

Term of Contract: November 1, 2012–June 30, 2013

SUMMARY OF CONSULTANT AND PROFESSIONAL-SERVICE REQUESTS

<u>Name</u>	<u>Using Department</u>	<u>Total Cost of This Request</u>	<u>Total Contracts to Date</u>	<u>Budget</u>
Teach for America	Human Capital	\$600,000	\$0	SR1-13-6299-693-99-DY7-DY7

Teach For America's mission is to build the movement to eliminate educational inequity by enlisting our nation's most promising future leaders in the effort. Teach For America recruits outstanding recent college graduates from all backgrounds and career interests to commit to teach for two years in urban and rural public schools. Beyond these two years, Teach for America alumni bring strong leadership to all levels of school systems and every professional sector, addressing the extra challenges facing children growing up in low-income communities, building the capacity of schools and districts, and changing the prevailing ideology through their examples and advocacy.

Teach For America has placed corps members in HISD schools since 1991 and HISD is seeking the approval to renew the partnership with Teach For America for the summer training and staffing of up to 100 Teach For America corps members for the 2011-2012 school year.

Term of Contract: July 1, 2012–May 20, 2013

SUMMARY OF CONSULTANT AND PROFESSIONAL-SERVICE REQUESTS

<u>Name</u>	<u>Using Department</u>	<u>Total Cost of This Request</u>	<u>Total Contracts to Date</u>	<u>Budget</u>
Catapult Learning West (Title I, Part A)	Assumption	\$8,188	\$632,340	SR1-21-6299-679-41-CA3-CA3
	Robert M. Beren Academy	\$23,337		
	Beth Yeshurun	\$15,353		
	Cristo Rey Jesuit	\$6,755		
	Crossroads School-Houston	\$2,457		
	Garden Oaks Christian	\$820		
	Holy Ghost Catholic	\$5,732		
	Incarnate Word Academy	\$18,014		
	John Paul II	\$2,047		
	Memorial Lutheran	\$9,826		
	Our Lady of Guadalupe	\$18,629		
	Our Lady of Mt. Carmel	\$11,464		
	Our Redeemer Lutheran	\$1,024		
	Queen of Peace	\$11,259		
	Resurrection Catholic	\$12,487		
	St. Augustine	\$6,346		
	St. Catherine's Montessori	\$15,353		
	St. Christopher Catholic	\$22,723		
	St. Francis de Sales	\$21,904		
	St. Francis of Assisi	\$9,621		
	St. Mary's of Purification	\$7,779		
	St. Peter the Apostle	\$11,054		
	St. Pius X H.S.	\$33,983		
	St. Rose of Lima	\$17,605		
	St. Theresa School	\$14,739		
	St. Thomas More	\$40,942		
	Sephardic Gan Torat Emet	\$13,101		
	Shlenker School, The	\$4,299		
	Torah Day School	\$11,873		
	Torah Girls Academy	\$2,457		
	UOS Goldberg Montessori	<u>\$1,433</u>		
		<u>\$382,604</u>		

SUMMARY OF CONSULTANT AND PROFESSIONAL-SERVICE REQUESTS

<u>Name</u>	<u>Using Department</u>	<u>Total Cost of This Request</u>	<u>Total Contracts to Date</u>	<u>Budget</u>
Catapult Learning West (Title I, Part A) (Continued)	Assumption	\$241		SR1-61-6299-679-41-CX3-CX3
	Robert M. Beren Academy	\$686		
	Beth Yeshurun	\$452		
	Cristo Rey Jesuit	\$199		
	Crossroads School-Houston	\$72		
	Garden Oaks Christian	\$24		
	Holy Ghost Catholic	\$169		
	Incarnate Word Academy	\$530		
	John Paul II	\$60		
	Memorial Lutheran	\$289		
	Our Lady of Guadalupe	\$548		
	Our Lady of Mt. Carmel	\$337		
	Our Redeemer Lutheran	\$30		
	Queen of Peace	\$331		
	Resurrection Catholic	\$367		
	St. Augustine	\$187		
	St. Catherine's Montessori	\$452		
	St. Christopher Catholic	\$668		
	St. Francis de Sales	\$644		
	St. Francis of Assisi	\$283		
	St. Mary's of Purification	\$229		
	St. Peter the Apostle	\$325		
	St. Pius X H.S.	\$999		
	St. Rose of Lima	\$518		
	St. Theresa School	\$433		
	St. Thomas More	\$1,204		
	Sephardic Gan Torat Emet	\$385		
	Shlenker School, The	\$126		
	Torah Day School	\$349		
	Torah Girls Academy	\$72		
	UOS Goldberg Montessori	\$42		
		<u>\$11,251</u>		

SUMMARY OF CONSULTANT AND PROFESSIONAL-SERVICE REQUESTS

<u>Name</u>	<u>Using Department</u>	<u>Total Cost of This Request</u>	<u>Total Contracts to Date</u>	<u>Budget</u>
Catapult Learning West (Title I, Part A) (Continued)	Assumption	\$28		SR1-13-6299-679-41-CY3-CY3
	Robert M. Beren Academy	\$81		
	Beth Yeshurun	\$53		
	Cristo Rey Jesuit	\$23		
	Crossroads School-Houston	\$9		
	Garden Oaks Christian	\$3		
	Holy Ghost Catholic	\$20		
	Incarnate Word Academy	\$62		
	John Paul II	\$7		
	Memorial Lutheran	\$34		
	Our Lady of Guadalupe	\$65		
	Our Lady of Mt. Carmel	\$40		
	Our Redeemer Lutheran	\$4		
	Queen of Peace	\$39		
	Resurrection Catholic	\$43		
	St. Augustine	\$22		
	St. Catherine's Montessori	\$53		
	St. Christopher Catholic	\$79		
	St. Francis de Sales	\$76		
	St. Francis of Assisi	\$33		
	St. Mary's of Purification	\$27		
	St. Peter the Apostle	\$38		
	St. Pius X H.S.	\$119		
	St. Rose of Lima	\$61		
	St. Theresa School	\$51		
	St. Thomas More	\$142		
	Sephardic Gan Torat Emet	\$45		
	Shlenker School, The	\$15		
	Torah Day School	\$41		
	Torah Girls Academy	\$9		
	UOS Goldberg Montessori	\$5		
		<u>\$1,327</u>		

SUMMARY OF CONSULTANT AND PROFESSIONAL-SERVICE REQUESTS

<u>Name</u>	<u>Using Department</u>	<u>Total Cost of This Request</u>	<u>Total Contracts to Date</u>	<u>Budget</u>
Catapult Learning West (Title I, Part A) (Continued)	Assumption	\$5,421		SR1-21-6299-679-41-CE3-CE3
	Robert M. Beren Academy	\$15,450		
	Beth Yeshurun	\$10,165		
	Cristo Rey Jesuit	\$4,472		
	Crossroads School-Houston	\$1,626		
	Garden Oaks Christian	\$542		
	Holy Ghost Catholic	\$3,795		
	Incarnate Word Academy	\$11,927		
	John Paul II	\$1,355		
	Memorial Lutheran	\$6,505		
	Our Lady of Guadalupe	\$12,333		
	Our Lady of Mt. Carmel	\$7,590		
	Our Redeemer Lutheran	\$678		
	Queen of Peace	\$7,454		
	Resurrection Catholic	\$8,267		
	St. Augustine	\$4,201		
	St. Catherine's Montessori	\$10,165		
	St. Christopher Catholic	\$15,044		
	St. Francis de Sales	\$14,502		
	St. Francis of Assisi	\$6,370		
	St. Mary's of Purification	\$5,150		
	St. Peter the Apostle	\$7,319		
	St. Pius X H.S.	\$22,499		
	St. Rose of Lima	\$11,656		
	St. Theresa School	\$9,758		
	St. Thomas More	\$27,106		
	Sephardic Gan Torat Emet	\$8,674		
	Shlenker School, The	\$2,846		
	Torah Day School	\$7,861		
	Torah Girls Academy	\$1,626		
	UOS Goldberg Montessori	<u>\$949</u>		
		<u>\$253,306</u>		

SUMMARY OF CONSULTANT AND PROFESSIONAL-SERVICE REQUESTS

<u>Name</u>	<u>Using Department</u>	<u>Total Cost of This Request</u>	<u>Total Contracts to Date</u>	<u>Budget</u>
Catapult Learning West (Title I, Part A) (Continued)	Assumption	\$1,516		SR1-21-6299-679-41-CC3-CC3
	Robert M. Beren Academy	\$4,322		
	Beth Yeshurun	\$2,843		
	Cristo Rey Jesuit	\$1,251		
	Crossroads School-Houston	\$455		
	Garden Oaks Christian	\$152		
	Holy Ghost Catholic	\$1,061		
	Incarnate Word Academy	\$3,336		
	John Paul II	\$379		
	Memorial Lutheran	\$1,820		
	Our Lady of Guadalupe	\$3,450		
	Our Lady of Mt. Carmel	\$2,123		
	Our Redeemer Lutheran	\$190		
	Queen of Peace	\$2,085		
	Resurrection Catholic	\$2,313		
	St. Augustine	\$1,175		
	St. Catherine's Montessori	\$2,843		
	St. Christopher Catholic	\$4,208		
	St. Francis de Sales	\$4,056		
	St. Francis of Assisi	\$1,782		
	St. Mary's of Purification	\$1,441		
	St. Peter the Apostle	\$2,047		
	St. Pius X H.S.	\$6,293		
	St. Rose of Lima	\$3,260		
	St. Theresa School	\$2,730		
	St. Thomas More	\$7,582		
	Sephardic Gan Torat Emet	\$2,426		
	Shlenker School, The	\$796		
	Torah Day School	\$2,199		
	Torah Girls Academy	\$455		
	UOS Goldberg Montessori	<u>\$265</u>		
		<u>\$70,854</u>		

SUMMARY OF CONSULTANT AND PROFESSIONAL-SERVICE REQUESTS

<u>Name</u>	<u>Using Department</u>	<u>Total Cost of This Request</u>	<u>Total Contracts to Date</u>	<u>Budget</u>
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Catapult Learning West will provide comprehensive educational services to eligible Title I students based upon proven instructional practices using the latest technological advancements to improve student academic achievement. The supplemental educational services, *Learning Links*, will provide direct instructional services to students during the scheduled pull-out or extended-day sessions via individualized online instruction with the support of small-group instruction. The school district is required to provide equitable services to all participating private nonprofit (PNP) schools within HISD boundaries. HISD is the fiscal agent for all Title funding for the PNP schools. PNP schools are eligible to receive all Title-based allocations/services, at the same per-pupil rate as the public schools, as well as allocations/services for parental involvement, professional development, and summer school. Annually, all PNP schools are invited to participate in a required consultation meeting where the specifics and requirements for each Title program are explained. The costs for all services are processed through HISD.

Term of Contract: August 13, 2013–June 30, 2013

SUMMARY OF CONSULTANT AND PROFESSIONAL-SERVICE REQUESTS

<u>Name</u>	<u>Using Department</u>	<u>Total Cost of This Request</u>	<u>Total Contracts to Date</u>	<u>Budget</u>
Mind Streams, LLC (Title II, Part A)	Assumption	\$10,608	\$570,262	SR1-13-6299-679-41-WB3-WB3
	Robert M. Beren Academy	\$12,495		
	Beth Yeshurun	\$13,158		
	Chinquapin	\$7,905		
	Corpus Christi	\$10,404		
	Cristo Rey Jesuit	\$13,668		
	Crossroads School-Houston	\$2,142		
	Emery Weiner	\$23,001		
	Garden Oaks Christian	\$612		
	Holy Ghost Catholic	\$5,559		
	Incarnate Word Academy	\$14,280		
	John Paul II	\$36,516		
	Lutheran High North	\$9,843		
	Memorial Lutheran	\$6,987		
	Our Lady of Guadalupe	\$12,189		
	Our Lady of Mt. Carmel	\$5,610		
	Our Redeemer Lutheran	\$612		
	Our Savior Lutheran	\$11,373		
	Pilgrim Lutheran	\$5,763		
	Queen of Peace	\$7,956		
	Resurrection Catholic	\$6,069		
	St. Agnes Academy	\$44,370		
	St. Ambrose	\$17,901		
	St. Anne	\$23,205		
	St. Augustine	\$9,486		
	St. Catherine's Montessori	\$9,996		
	St. Christopher Catholic	\$10,455		
	St. Francis de Sales	\$22,491		
	St. Francis of Assisi	\$6,783		
	St. Mary's of Purification	\$6,324		
	St. Michael	\$23,817		
	St. Peter the Apostle	\$5,253		
	St. Pius X H.S.	\$33,609		
	St. Rose of Lima	\$8,976		

SUMMARY OF CONSULTANT AND PROFESSIONAL-SERVICE REQUESTS

<u>Name</u>	<u>Using Department</u>	<u>Total Cost of This Request</u>	<u>Total Contracts to Date</u>	<u>Budget</u>
Mind Streams, LLC	St. Theresa School	\$9,231		
(Title II, Part A)	St. Thomas High	\$37,638		
(Continued)	St. Thomas More	\$25,908		
	St. Vincent de Paul	\$26,163		
	Sephardic Gan Torat Emet	\$6,375		
	Shlenker School, The	\$13,617		
	Strake Jesuit College Prep	\$45,951		
	Torah Day School	\$5,304		
	Torah Girls Academy	\$663		
	Trinity Messiah Lutheran	\$10,098		
	UOS Goldberg Montessori	\$3,060		
	Veritas Christian	<u>\$8,823</u>		
		<u>\$632,247</u>		

Mind Streams will provide a series of comprehensive professional-development trainings for teachers in the areas of research-based methodologies and best-classroom practices. An assessment of student needs indicates that professional development is needed in differentiated teaching practices that integrate instructional technology for motivating learners, providing essential guidelines in the use of technology, and supporting overall student academic achievement. The school district is required to provide equitable services to all participating private nonprofit (PNP) schools within HISD boundaries. HISD is the fiscal agent for all Title funding for the PNP schools. PNP schools are eligible to receive all Title-based allocations/services, at the same per pupil rate as the public schools, as well as allocations/services for parental involvement, professional development, and summer school. Annually, all PNP schools are invited to participate in a required consultation meeting where the specifics and requirements for each Title program are explained. The costs for all services are processed through HISD.

Term of Contract: August 13, 2013–June 30, 2013

SUMMARY OF REQUESTED RATIFICATIONS FOR SUPERINTENDENT BID WAIVER PROJECTS

<u>Name</u>	<u>Using Department</u>	<u>Total Cost of This Request</u>	<u>Budget</u>
Dan Cochran	Human Resources	\$50,000	GF1-41-6292-911-99-940-940

Dan Cochran will provide management consulting services to Houston Independent School District (HISD) related to the Human Resources organizational structure, strategic operations, workforce needs and utilization, customer services and operational processes for the purpose of supporting HISD in its efforts to improve Human Capital.

Term of Contract: September 10, 2012-December 21, 2012

Pierpont Communications	Office of Communications	\$49,000	GF1-41-6299-698-99-019-999
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Pierpont Communications will provide general strategy and support for communications within the Houston Independent School District (HISD), general support and for communications staff members on materials preparation, and assist HISD communications staff members with both external and internal communications related to the HISD Voter Registration Campaign.

Term of Contract: September 15, 2012-November 15, 2012

A & E The Graphics Complex	Office of Communications	\$29,930	GF1-41-6299-698-99-019-999
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One hundred forty-six bond signs will be purchased from A & E The Graphics Complex to be placed outside of each school included in the 2012 Houston schools bond referendum to inform public of information for each affected school.

Term of Contract: September 20, 2012-October 15, 2012

SUMMARY OF REQUESTED RATIFICATIONS FOR SUPERINTENDENT BID WAIVER PROJECTS

<u>Name</u>	<u>Using Department</u>	<u>Total Cost of This Request</u>	<u>Budget</u>
Genesys Works Houston	Finance	\$50,000	GF1-41-6299-911-99-940-940

As part of the Genesys Works Houston program, the Houston Independent School District will provide senior high school students internships to perform general IT support and/or general accounting assignments during their senior year.

Term of Contract: September 24, 2012-May 31, 2014

Office of Superintendent of Schools
Board of Education Meeting of October 11, 2012

Office of Chief Financial Officer
Melinda Garrett, Chief Financial Officer

**SUBJECT: APPROVAL OF VENDOR AWARDS FOR PURCHASES OVER
\$100,000 AND RATIFICATION OF VENDOR AWARDS FOR
PURCHASES UNDER \$100,000**

The purpose of this item is to authorize vendor awards for purchases over \$100,000 and to ratify vendor awards for purchases under \$100,000. Pursuant to Board of Education policy, contracts for purchases over \$100,000 are submitted to the Houston Independent School District (HISD) Board of Education for approval prior to the issuance of purchase orders and/or agreement letters. Procurement Services is authorized by board policy to enter into purchase agreements for bid projects less than \$100,000, subject to ratification by the Board of Education.

When determining the successful bidder, consideration is given to the quality of the articles supplied, conformity with developed specifications, suitability to the requirements of the educational system, and delivery terms. All advertised bids are in compliance with minority- and woman-owned business enterprise procedures. All contracts are negotiated and executed with the supplier(s) providing the best overall value for the district.

The attachment reflects the names of successful bidders, the budgets to be charged, and a description of the items to be purchased.

A copy of each tabulation is on file in Board Services.

COST/FUNDING SOURCE(S): Funds for these recommended actions will be necessary only one time, and funding sources are shown in the attachment.

STAFFING IMPLICATIONS: The current procurement staff members will handle all procurement activities.

ORGANIZATIONAL GOALS/IMPACT: This agenda item supports all six goals of the district and all five core initiatives. Purchases range from instructional goods/services to maintenance goods/services needed for HISD's facilities-to-standard program.

THIS ITEM DOES NOT REQUIRE CONSULTATION.

THIS ITEM DOES NOT ESTABLISH, MODIFY, OR DELETE BOARD POLICY.

RECOMMENDED: That the Board of Education approve vendor awards for purchases over \$100,000 and ratify vendor awards for purchases under \$100,000, effective October 12, 2012.

APPROVAL OF PURCHASES OVER \$100,000

RECOMMENDED AWARD FOR OCTOBER 11, 2012, BOARD AGENDA

<u>PROJECT</u>	<u>DESCRIPTION</u>	<u>*M/WBE COMMIT</u>	<u>M/WBE ACTUAL</u>	<u>BIDS/RFP'S ISSUED</u>	<u>BIDS REC'D</u>	<u>** LOC</u>	<u>AWARDED TO</u>	<u>AMOUNT</u>	<u>BUDGET CHARGE</u>
12-04-15	RFQ/Professional Services						Pearson Education	Not To Exceed \$117,145	GF1-21-6299-698-99-021 020-999
Pearson Education will develop an alignment document that incorporates the Texas Essential Knowledge and Skills (TEKS) and national standards including Common Core, Stanford-10, Advanced Placement, International Baccalaureate, and the National Assessment of Educational Progress (NAEP).									
12-08-01	RFP/Fuel Unleaded Gasoline Bio Diesel ULSD	A/100%		21	5	H	Sun Coast Resources, Inc.	Not To Exceed \$11,000,000	GF1-00-1312
12-08-03	RFP/Grounds Maintenance, Landscaping & Irrigation Services	A/100% B/25%		37	4	H H	Southwest Wholesale Nursery Silversand Services	Not To Exceed \$3,200,000	Bond Funds Various School Budgets GF1-51-6299-803-99-154-999

The purpose of this project is to provide grounds maintenance, landscaping and irrigation services for HISD's facilities.

APPROVAL OF PURCHASES OVER \$100,000

RECOMMENDED AWARD FOR OCTOBER 11, 2012, BOARD AGENDA

<u>PROJECT</u>	<u>DESCRIPTION</u>	<u>*M/WBE COMMIT</u>	<u>M/WBE ACTUAL</u>	<u>BIDS/RFP'S ISSUED</u>	<u>BIDS REC'D</u>	<u>** LOC</u>	<u>AWARDED TO</u>	<u>AMOUNT</u>	<u>BUDGET CHARGE</u>
12-05-10	RFP/ Curriculum, Instructional, Assessment, Intervention Materials & Supplies	C/I/1.68% C/D C/D C/I/1% C/I/2.96%		100	65	OT O OT O O	Ablenet, Inc. American Reading Company Archipelago Learning Benchmark Education Company Capstone Press and its subsidiaries Compass Point Books Heinemann-Raintree Picture Window Books Stone Arch Books Capstone Classroom Capstone Digital		
		NC/0% C/I/8.05%				OT OT	Carnegie Learning Cengage Learning dba National Geographic		
		C/D C/I/5.84% C/D C/I/26.09 A/100% C/5% B/25% C/0.2% NC/0% C/I/2.09% B/20% C/I/13.53% C/15% C/I/10%				O O O OT T OT O O OT OT OT OT OT O	Chapters Group LLC Child Safety Solution Classroom Library Company Curriculum Associates, Inc. DynaStudy, Inc. Educators Outlet EPS/School Specialty ETA hand2mind Follett Educational Services Follett Library Resources, Inc. Gareth Stevens Publishing Greenwood Publishing dba Heinemann Hatch, Inc. Houghton Mifflin Harcourt Publishing Company and its subsidiaries Great Source Rigby Houghton Mifflin Harcourt School		
		C/D B/29%				T O	Iversen Publishing Jarrett Publishing Company		

APPROVAL OF PURCHASES OVER \$100,000

RECOMMENDED AWARD FOR OCTOBER 11, 2012, BOARD AGENDA

<u>PROJECT</u>	<u>DESCRIPTION</u>	<u>*M/WBE COMMIT</u>	<u>M/WBE ACTUAL</u>	<u>BIDS/RFP'S ISSUED</u>	<u>BIDS REC'D</u>	<u>** LOC</u>	<u>AWARDED TO</u>	<u>AMOUNT</u>	<u>BUDGET CHARGE</u>
12-05-10	RFP/ Curriculum, Instructional, Assessment, Intervention Materials & Supplies (Continued)	A/100% C//18% C/5% C//0.7% B/25% C/D C/0.19% C//6% C/1% C/19% C/D C/8% C/15% C//2.2% C//25.14%				OT O O OT O O T OT O O O OT OT T OT	Kamico Instructional Media, Inc. Kaplan Learning Company Lakeshore Learning Materials LEGO Education LitConn, Inc. Math Teachers Press Mentoring Minds, L.P. NCS Pearson, Inc. Newmark Learning Northpoint Horizons Okapi Educational Publishing Pacific Learning Peoples Education PCI Education Pearson Education, Inc. and its Subsidiaries: Prentice Hall Pearson AGS Globe Premier Agendas, Inc. Scott Foresman Longman Early Learning Group Modern Curriculum Press Celebration Press Dominie Press Dale Seymour Publication Rally Education Really Good Stuff Renaissance Learning Riverside Publishing Reading & Language Arts Centers (RLAC) Rosen Classroom S&S Worldwide		
		C//2.5% C/D C//10.75% B/78% B/20% C//1.81%				OT OT OT O OT			

APPROVAL OF PURCHASES OVER \$100,000

RECOMMENDED AWARD FOR OCTOBER 11, 2012, BOARD AGENDA

<u>PROJECT</u>	<u>DESCRIPTION</u>	<u>*M/WBE COMMIT</u>	<u>M/WBE ACTUAL</u>	<u>BIDS/RFP'S ISSUED</u>	<u>BIDS REC'D</u>	<u>** LOC</u>	<u>AWARDED TO</u>	<u>AMOUNT</u>	<u>BUDGET CHARGE</u>
12-05-10	RFP/ Curriculum, Instructional, Assessment, Intervention Materials & Supplies (Continued)	C/I/0.77% C/I/1% B/20%					OT Scantron OT Scholastic Library Publishing OT Scholastic, Inc. and its subsidiaries Grolier Children Press Franklin Watts Grolier Online OT School Specialty and its Subsidiaries ABC School Supply Abilitations Childcraft Education Corp. EducationEssentials Educators Publishing Service Fitness Sport Frey Scientific Integrations Premier Agendas Sax Arts & Craft Sportime O Shell Education OT Steps to Literacy, LLC O Teacher's Created Materials T Teacher Heaven H The Waymire Group T The Trevor Romain Group H The Urban Circle LLC O Thinking Maps Inc. OT Triumph Learning LLC O USA Testprep, Inc. OT William Sadlier OT World Book OT Young People's Press OT Wireless Generation		
		C/I/2.86%							
		C/I/22%							
		C/I/5%							
		C/D							
		C/D							
		B/26%							
		A/100%							
		B/255							
		C/D							
		C/I/56%							
		C/D							
		C/I/15%							
		C/I/25%							
		C/D							
								Not To Exceed \$3,000,000	School and Department Budgets

APPROVAL OF PURCHASES OVER \$100,000

RECOMMENDED AWARD FOR OCTOBER 11, 2012, BOARD AGENDA

<u>PROJECT</u>	<u>DESCRIPTION</u>	<u>*M/WBE COMMIT</u>	<u>M/WBE ACTUAL</u>	<u>BIDS/RFP'S ISSUED</u>	<u>BIDS REC'D</u>	<u>** LOC</u>	<u>AWARDED TO</u>	<u>AMOUNT</u>	<u>BUDGET CHARGE</u>
12-06-06	RFP/Rental Space for Meetings, Conferences, Events & Banquets Districtwide	N/A		31	22	H	BlazinBrook Entertainment		
		"				OT	Crown Plaza River Oaks		
		"				H	Four Points by Sheraton, Southwest		
		"				OT	Hilton Americas		
		"				H	Houston Arboretum & Nature Center		
		"				H	Houston CPA Society		
		"				H	Houstonian Hotel, Club & Spa		
		"				H	India House		
		"				OT	JW Marriott		
		"				H	Kingdom Builders' Center, The		
		"				H	Lilly Grove Missionary Baptist		
		"				H	Marriott Airport Intercontinental		
		"				OT	Marriott Medical Center		
		"				T	Marriott Sugarland Town Square		
		"				OT	Marriott West Loop		
		"				H	Marriott Woodlands Waterway		
		"				H	Mevist Cultural Center		
		"				H	Norris Conference Center		
		"				H	RAC Conference Center, Inc.		
		"				H	Reliant Park		
		"				OT	Renaissance Hotel Greenway		
		"				H	Trevisio Restaurant and Conference Center	Not To Exceed \$900,000	School and Department Budgets

APPROVAL OF PURCHASES OVER \$100,000

RECOMMENDED AWARD FOR OCTOBER 11, 2012, BOARD AGENDA

<u>PROJECT</u>	<u>DESCRIPTION</u>	<u>*M/WBE COMMIT</u>	<u>M/WBE ACTUAL</u>	<u>BIDS/RFP'S ISSUED</u>	<u>BIDS REC'D</u>	<u>** LOC</u>	<u>AWARDED TO</u>	<u>AMOUNT</u>	<u>BUDGET CHARGE</u>
11-11-05	RFQ/Structural Engineering Services – Existing Facilities	A/100% B/25% A/100%		17	7	H H H	Matrix Structural Engineers, Inc. Walter P. Moore and Assoc., Inc. Ingenium, Inc.	Not To Exceed \$500,000	GF1 51-6219 803-99-000 999
<p>This project is to allow the contracting of Structural Engineering Services for existing facilities to address requests to evaluate facilities for structural concerns. The structural issues range in severity from minor cracks to significant movement of the foundation.</p> <p>This item is to negotiate, execute, and amend all contracts related to structural engineering services at multiple campuses.</p>									
11-11-06	RFQ/Roof Consultant Services – Existing Facilities	B/25% B/25%		11	9	H H	PBK Architects, Inc. Wiss, Janney, Elstner Assoc., Inc.	Not To Exceed \$500,000	GF1 51-6219 803-99-000 999
<p>The scope of work will include, but is not limited to: Building Envelope Assessment Survey; Development of Proposal Documents; Bidding & Negotiations; and Construction Administration.</p> <p>This item is to negotiate, execute, and amend all contracts related to roof consulting services at multiple campuses.</p>									
11-12-01	RFP/Food Services Frozen Food and Staple Groceries – Annual Additional Funds	C/25% C/I/1.09% C/I/1.09%				H H O	Kurz & Co. Master's Distribution Systems Co., Inc. Majestic Spice	Not To Exceed \$440,000	FD1-1321-791-99-977-977

APPROVAL OF PURCHASES UNDER \$100,000

RECOMMENDED AWARD FOR OCTOBER 11, 2012, BOARD AGENDA

<u>PROJECT</u>	<u>DESCRIPTION</u>	<u>*M/WBE COMMIT</u>	<u>M/WBE ACTUAL</u>	<u>BIDS/RFP'S ISSUED</u>	<u>BIDS REC'D</u>	<u>** LOC</u>	<u>AWARDED TO</u>	<u>AMOUNT</u>	<u>BUDGET CHARGE</u>
DIR	Software Licensing						Carahsoft Technology Corporation	Not To Exceed \$20,000	GF1-53-6632-424-99-931-931
Software licenses for the Remedy-On-Demand platform adding capabilities to improve service to HISD employees.									

APPROVAL OF SOLE SOURCE ITEMS

RECOMMENDED AWARD FOR OCTOBER 11, 2012, BOARD AGENDA

<u>PROJECT</u>	<u>DESCRIPTION</u>	<u>*M/WBE COMMIT</u>	<u>M/WBE ACTUAL</u>	<u>BIDS/RFP'S ISSUED</u>	<u>BIDS REC'D</u>	<u>** LOC</u>	<u>AWARDED TO</u>	<u>AMOUNT</u>	<u>BUDGET CHARGE</u>
Sole Source	Credit By Exam						University of Texas Austin	Not To Exceed \$125,000	School and Department Budgets
Sole Source	Software License and Maintenance						Learning.com / Learning Internet, Inc.	Not To Exceed \$75,000	School and Department Budgets
Sole Source	Software License and Maintenance						Neufeld Learning Suntex International	Not To Exceed \$50, 000	School and Department Budgets
Sole Source	Training & Materials						The Great Books Foundation	Not To Exceed \$11,000	GF1-11-6299-298-10-E1-101-101

The program combines a sound theoretical base with proven strategies to engage all readers in higher-order thinking and collaborative problem solving. Shared Inquiry is a discussion method, a teaching and learning environment, and a way for individuals to achieve a more thorough understanding of a text.

APPROVAL OF CONTRACT RENEWAL PURCHASES OVER \$100,000

RECOMMENDED AWARD FOR OCTOBER 11, 2012, BOARD AGENDA

<u>PROJECT</u>	<u>DESCRIPTION</u>	<u>*M/WBE COMMIT</u>	<u>M/WBE ACTUAL</u>	<u>YEAR 2 OF 3</u>	<u>YEAR 3 OF 3</u>	<u>** LOC</u>	<u>AWARDED TO</u>	<u>AMOUNT</u>	<u>BUDGET CHARGE</u>
10-06-06	RFP/End User Devices (Renewal)	A/100% A/100%	A/100% A/100%		X	H H	Netsync Network Solutions-all items US Tech-Printers Only	Not To Exceed \$15,000,000	District-Wide Funds
This purchase covers the projected cost for HP desktop, laptop, tablets, mobile devices and printers.									
10-07-07	Drug And Alcohol Testing Services (Renewal)	A/100%	A/100%	X		T	Forward Edge	Not To Exceed \$150,000	IS2-41-6299-742-99-952-952 GF1-34-6299-520-99-999-999
10-04-08	School Reform Models (Renewal)	NFP			X		Institute for Student Achievement (ISA)	Not To Exceed \$124,200	SR1-13-6292-006-30-AP7-AP7
Jones High School is in Stage 5 of the No Child Left Behind School Improvement Program. As part of the school improvement model, Jones High School has been working with ISA since September of 2010. For the 2012–2013 school year, ISA will continue to provide a school coach who will support the school community to implement the ISA principles so as to build staff capacity to function successfully as teams and provide an instructional program and student support services that meet students' needs.									
10-08-07	RFP/Purchase of Pre- Owned Office Furniture (Renewal)	A/100%	A/100%		X	H	Wells and Kimich, Inc.	Not To Exceed \$100,000	School and Department Budgets

Remanufactured workstations and refurbishment of district-owned furniture-new.

APPROVAL OF CONTRACT RENEWAL PURCHASES UNDER \$100,000

RECOMMENDED AWARD FOR OCTOBER 11, 2012, BOARD AGENDA

<u>PROJECT</u>	<u>DESCRIPTION</u>	<u>*M/WBE COMMIT</u>	<u>M/WBE ACTUAL</u>	<u>YEAR 2 OF 3</u>	<u>YEAR 3 OF 3</u>	<u>** LOC</u>	<u>AWARDED TO</u>	<u>AMOUNT</u>	<u>BUDGET CHARGE</u>
09-07-11	Gaming Software				X		Tietronix Software, Inc.	Not To Exceed \$40,000	SR1-13-6299-431-99-TC2-TC2

This project is acquiring an Instructional Digital Energy Game emphasizing science and math for middle school students.

11-09-01	Licensed Use Of Retirement Manager Software As A Third Party Administration (Renewal)	B/20%	B/25%	X		H	VALIC Retirement Services Company (VRSCO)	Not To Exceed \$13,000	IS1-41-6299-742-99-951-951
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Platform for the HISD 403(b) and 457 Retirement Plans.

Code Legend

M/WBE - Minority and Women Business Enterprises Percentage Notations
Option A - Certified M/WBE firm; Percentages greater than 100% indicates the M/WBE firm will also subcontract with other M/WBE firms.
Option B - Non M/WBE firm who will subcontract the indicated percentage with an M/WBE firm(s) to meet or exceed the district's goal.
Option C - Non M/WBE firm. If listed with percentage greater than 0%, the awardee will sub-contract with an M/WBE firm for a percentage less than the district's goal. If listed as C//X%, the awardee will participate under an indirect program for the percentage indicated. If listed as C/D, the awardee made direct contact with M/WBE firms regarding subcontracting opportunities but has no costs attributable as either indirect or direct costs with M/WBE suppliers.

BB	The BuyBoard Cooperative
DIR	Texas Department of Information Resources
GSA	Federal General Services Administration Schedule 70
HCDE	Harris County Department Of Education
HGAC	Houston-Galveston Area Council
REGION IV	Region IV Education Service Center
TASB	Texas Association of School Boards
TBPC	Texas Building and Procurement Commission
TCPN	The Cooperative Purchasing Network
TPASS	Texas Procurement and Support Services
TXMAS	Texas Multiple Award Schedules
USC	U. S. Communities

Other Status Options

NC) - Non-compliant ; NE) - Not evaluated; NFP) - Non-profit; P) - Pending Certification

LOC - Location

Houston (H); Texas (T); Out of State (O); Out of State with Local Office (OT).

Office of Superintendent of Schools
Board of Education Meeting of October 11, 2012

Office of Chief Financial Officer
Melinda Garrett, Chief Financial Officer

**SUBJECT: APPROVAL OF RESOLUTION ADOPTING TAX RATE AND
LEVYING AD VALOREM TAXES FOR TAX YEAR 2012**

To support the approved 2012–2013 budget and to make required expenditures, the Houston Independent School District (HISD) must adopt a tax rate that will provide revenue through the property tax as provided by law. The rate to be adopted must include the necessary revenue for payment of the maintenance and operations expenses and for debt service. The rate of \$1.1567 per \$100 of taxable value is recommended as the HISD 2012 tax rate to be adopted by the Board of Education. This rate includes a maintenance and operations component of \$1.0067 and a debt-service component of 15 cents.

The maintenance and operations (M&O) rate of 1.0067 is the same M&O rate as last year's rate. Although more total taxes will be raised for Tax Year 2012 M&O due to increased overall district property values over Tax Year 2011, for an individual home with the same property value for both years, there would not be an increase in M&O taxes since that \$1.0067 rate remains the same. However, M&O taxes would increase on a home if the appraisal district certified value of the home increased this year from last year.

Approval of this tax rate will allow the Harris County Tax Assessor/Collector to begin preparation of the 2012 tax bills. Revenue collected from taxes will be distributed to the General Fund and the Debt Service Fund.

The Resolution and Ordinance Adopting the Tax Rate for 2012 is on file in Board Services.

COST/FUNDING SOURCE(S): None

STAFFING IMPLICATIONS: None

ORGANIZATIONAL GOALS/IMPACT: This agenda item supports all six goals of the district. Tax revenues fund operations throughout the district.

THIS ITEM DOES NOT REQUIRE CONSULTATION.

THIS ITEM DOES NOT ESTABLISH, MODIFY, OR DELETE BOARD POLICY.

RECOMMENDED: That the Board of Education approve property taxes being increased by the adoption of a tax rate of \$1.1567 per \$100 of taxable value and approve the Resolution and Ordinance adopting the tax rate, and levy ad valorem taxes for the year 2012, as reflected in the Resolution, effective October 12, 2012.

**RESOLUTION
HOUSTON INDEPENDENT SCHOOL DISTRICT
HOUSTON, HARRIS COUNTY, TEXAS
2012**

RESOLUTION AND ORDINANCE FIXING AND ADOPTING THE TAX RATE AND LEVYING AD VALOREM TAXES FOR THE HOUSTON INDEPENDENT SCHOOL DISTRICT FOR THE YEAR 2012:

WHEREAS, the Board of Education of the Houston Independent School District finds that after reviewing all sources of revenue, it is necessary that the Board fix the rate for tax year 2012 for all purposes at One Dollar and Fifteen and 67/100 Cents (\$1.1567) per One Hundred Dollars (\$100.00) of assessed property value to operate the school system during the 2012–2013 budget year, and provide for the bonded indebtedness of the School District; and

WHEREAS, the Superintendent of Schools recommends and the Board finds that the school tax rate for the Houston Independent School District should be fixed at One Dollar and Fifteen and 67/100 Cents (\$1.1567) and taxes levied based per One Hundred Dollars (\$100.00) assessed property value, with One Dollar and 67/100 Cents (\$1.0067) being for current maintenance and operations of the schools, and Fifteen Cents (15¢) for payment of interest on outstanding bonded indebtedness and to provide for Sinking Fund requirements.

THEREFORE, BE IT RESOLVED AND ORDAINED BY THE BOARD OF EDUCATION OF THE HOUSTON INDEPENDENT SCHOOL DISTRICT THAT:

All of the above paragraphs are incorporated and made a part of this Resolution and Ordinance; and

THAT the school tax rate for the HOUSTON INDEPENDENT SCHOOL DISTRICT, for the year 2012 shall be, and the rate is hereby fixed at One Dollar and 67/100 Cents (\$1.0067) per One Hundred Dollars (\$100.00) of assessed property value for maintenance and operations of the schools of the district, and Fifteen Cents (15¢) per One Hundred Dollars (\$100.00) of assessed property value to pay interest on outstanding bonded indebtedness and provide for Sinking Fund requirements, making a total tax rate of One Dollar and Fifteen and 67/100 Cents (\$1.1567) per each One Hundred Dollars (\$100.00) of assessed value of taxable property, such ad valorem taxes to be levied on all taxable property situated in the district for all purposes, not exempt from taxation by valid laws, during the year 2012, and the Assessor and Collector of Taxes of the district is hereby authorized and directed to assess property and collect school taxes on the basis of this rate for the year 2012; and

THAT the assessed value of taxable property shall be based upon the current assessment ratio of one hundred percent (100%) of market value; and the tax rolls for 2012 and all prior years are approved.

THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

THE TAX RATE WILL EFFECTIVELY BE RAISED BY 0.04 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY ZERO DOLLARS.

PASSED, APPROVED, AND ADOPTED this 11th day of October, 2012.

HOUSTON INDEPENDENT SCHOOL DISTRICT

Michael L. Lunceford, President
Board of Education

Attest:

Rhonda Skillern-Jones, Secretary
Board of Education

Office of Superintendent of Schools
Board of Education Meeting of October 11, 2012

Office of Chief Financial Officer
Melinda Garrett, Chief Financial Officer

**SUBJECT: APPROVAL TO NEGOTIATE AND EXECUTE A CONTRACT WITH
HAYES SOFTWARE SYSTEMS FOR A PRODUCT UPGRADE
WHICH WILL FACILITATE THE TRACKING OF TECHNOLOGY AND
CAPITAL ASSETS**

Houston Independent School District (HISD) has partnered with Hayes Software Systems (Hayes) since 2006 to provide a districtwide software solution for textbook management (TIPWeb-IM). The purpose of this agenda item is to authorize the purchase and implementation of the TIPWeb-Information Technology (TIPWeb-IT) component as a product upgrade to the TIPWeb platform in order to facilitate the district and campuses' tracking of technology and capital assets. HISD already owns the TIPWeb platform. Hayes will provide software installation, data conversion, consulting services and technical support. The deployment of TIPWeb-IT will focus on risk reduction, cost savings, and support of campuses in maintaining the integrity of asset recordkeeping.

The contract will be pursuant to the contract between Hayes and The Cooperative Purchasing Network.

COST/FUNDING SOURCE(S): Funds for these services are not to exceed \$324,521 and will be funded by GF1 53-6299 911-99-940 940.

STAFFING IMPLICATIONS: None

ORGANIZATIONAL GOALS/IMPACT: This agenda item supports HISD Goal 4: Increase Management Effectiveness and Efficiency and HISD Goal 5: Improve Public Support and Confidence in Schools and is aligned to Core Initiative 4: Data-Driven Accountability and Core Initiative 5: Culture of Trust through Action.

THIS ITEM DOES NOT REQUIRE CONSULTATION.

THIS ITEM DOES NOT ESTABLISH, MODIFY, OR DELETE BOARD POLICY.

RECOMMENDED: That the Board of Education authorize the superintendent of schools or a designee to negotiate and execute an agreement with Hayes Software Systems to purchase its IT component for tracking technology and capital assets, effective October 12, 2012.

Office of Superintendent of Schools
Board of Education Meeting of October 11, 2012

Office of Chief Financial Officer
Melinda Garrett, Chief Financial Officer

**SUBJECT: AUTHORITY TO APPROVE THE RESOLUTION TO ADOPT THE
HISD 457 DEFERRED COMPENSATION PLAN DOCUMENT –
RESTATEMENT, EFFECTIVE JANUARY 1, 2012**

The Houston Independent School District (HISD) Board of Education first established the voluntary HISD 457 Deferred Compensation Plan effective January 1, 1997. The Plan enhances the retirement security of employees by offering pre-tax savings and income tax deferral via automatic salary deduction.

This 457 Plan restatement will replace the current 2011 plan document and will ensure that the district is current on all legal and tax considerations that are required of 457 plans. The proposed restated 2012 plan has been reviewed by Bracewell and Giuliani. Major changes to the current HISD plan document include:

- Separate adoption agreement containing the allowable options for how the district's plan will operate
- Minimum distributable amounts without consent based on non-participation has been lowered
- Addition of employer directed contributions
- Additional language which permits in-service transfers.

The 457 Deferred Compensation Plan Document restatement is on file in Board Services.

COST/FUNDING SOURCE(S): There is no cost to the district or employees.

STAFFING IMPLICATIONS: None

ORGANIZATIONAL GOALS/IMPACT: This agenda item supports HISD Goal 4: Increase Management Effectiveness and Efficiency and HISD Goal 6: Create a Positive District Culture and is aligned to Core Initiative 5: Culture of Trust through Action.

THIS ITEM DOES REQUIRE CONSULTATION.

THIS ITEM DOES NOT ESTABLISH, MODIFY, OR DELETE BOARD POLICY.

RECOMMENDED: That the Board of Education authorize the approval of the resolution to adopt the HISD 457 Deferred Compensation Plan Document – Restatement, effective January 1, 2012.

Office of Superintendent of Schools
Board of Education Meeting of October 11, 2012

Office of Chief Financial Officer
Melinda Garrett, Chief Financial Officer

**SUBJECT: ADOPTION OF BOARD RESOLUTION ADDRESSING THE
PAYROLL RECONCILIATION PROCESS**

This agenda item is a follow-up to the item approved by the Houston Independent School District (HISD) Board of Education at its September 2012 regular meeting, related to the district's payroll reconciliation efforts. Specifically, the board approved the waiver of half of the days (or their current value) owed to the district by some twelve-month employees. The rationale for the waiver rests in several premises.

The administration recognizes that although the employees affected benefitted from the advancement of pay, they had no responsibility for the implementation of the district's payroll systems and practices. The employee-friendly advancement was an administrative decision entirely. In addition, the district has had relatively small pay increases in recent years and the repayment will be burdensome to some employees. Finally, the administration recognized the need to address the angst of employees during meetings discussing this issue, and the discord that resulted from the information presented.

For these reasons, the administration believes that there is a public purpose to support the decision to waive one half of the days owed to the district by affected employees. A resolution is attached declaring that the board finds that a public purpose exists to support its action in this matter from the September 2012 board meeting.

A copy of the above-referenced resolution is attached to this item.

COST/FUNDING SOURCE(S):	Funds are budgeted in the 2012–2013 operating budget.
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STAFFING IMPLICATIONS:	None
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ORGANIZATIONAL GOALS/IMPACT:	This agenda item supports HISD Goal 4: Increase Management Effectiveness and Efficiency and HISD Goal 6: Create a Positive District Culture and is aligned to Core Initiative 5: Culture of Trust through Action.
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THIS ITEM DOES REQUIRE CONSULTATION.

THIS ITEM DOES NOT ESTABLISH, MODIFY, OR DELETE BOARD POLICY.

RECOMMENDED: That the Board of Education approve the adoption of the resolution addressing the payroll reconciliation process, and specifically finds a “public purpose” in waiving one-half of the days impacted, effective October 12, 2012.



RESOLUTION

Whereas, the conversion to the PeopleSoft Payroll Solution in the 1999–2000 school year resulted in adjustments to the Houston Independent School District ("HISD" or "district") payroll process; and

Whereas, a major adjustment was changing the pay dates from twice a month (the 5th and 20th), which resulted in 24 annual pay checks, to bi-weekly (every other Wednesday), which resulted in 26 paychecks; and

Whereas, to pay all employees on the new bi-weekly schedule, the district chose to schedule the 26th pay period to end in August for both the 12-month and less than 12-month employee duty schedules; and

Whereas, to ensure 12-month employees would not miss a scheduled payday, these employees were paid a portion of their pay in advance so they would be paid in full by the 26th pay period ending in August; and

Whereas, although the annual salary of 12-month employees was paid in full by the 26th pay period in August, employees did not earn their annual salary until they worked through the 31st of August; and

Whereas, as a result, in the year of conversion, employees were paid a full annual salary by August 20, 2000, which resulted in an advancement of nine days of pay; and

Whereas, since the adoption of the new payment schedule, and due to the normal shifts in the yearly calendar, duty schedules, and pay dates, the number of days of advanced salary payments has increased almost every year; and

Whereas, the 26th pay check for the 2011–2012 school year for 12-month employees coincides with the pay period ending August 5, 2012; and

Whereas, to prevent 12-month employees from going without a paycheck until the next school year begins, the district advanced employees two pay checks to cover the twenty workdays remaining in August; and

Whereas, some employees hired between 2000 and 2011 were advanced a full paycheck during the initial pay period, regardless of whether a full pay period had been worked; and

Whereas, with the natural calendar moving forward, the number of days advanced continues to increase annually the number of days employees are advanced; and

Whereas, the above-described process has resulted in a new employee debt being created annually; and

Whereas, approximately 3,700, 12-month employees have received advanced payment either in the year of conversion or in their initial year of hire; and

Whereas, the HISD Board of Trustees (“Board”) approved an Agenda Item at its August 9, 2012 Regular Board Meeting to reconcile the salary advancements made by recouping salaries advanced to these employees while they are employees of the district; and

Whereas, affected employees currently owe from a minimum of nine (9) days of pay to a maximum of twenty (20) days;

Whereas, the district recognizes the discord that takes place when employees face a large, unexpected bill; and

Whereas, the district recognizes that employee retention is an important goal of the district, and that the payroll reconciliation process may negatively affect this goal; and

Whereas, the district has considered feedback from employees, the absence of and/or minimal pay raises over recent years, and the fact that although the advancement of employee pay beginning in the 1999–2000 school year was viewed as an employee-friendly initiative, it has now become burdensome for employees; and

Whereas, through circumstances completely beyond the control of impacted HISD employees, they have incurred and continue to incur substantial indebtedness to the district; and

Whereas, while HISD employees have benefited from advancement of pay for over a decade, which has ensured uninterrupted paychecks to employees, it is none the less burdensome on employees to repay the district the entire amount accrued as a result of this payroll practice , and

Whereas, the Board believes that a public purpose exists to mitigate the financial burden on HISD employees caused by the recouping process; and

Whereas, there is a public purpose served and a benefit to HISD to demonstrate support of its employees, enhance employee morale and support the retention of employees; and

Whereas, the Board believes that a public purpose exists for forgiving or excusing some of the employee indebtedness to the district; and

Whereas, in keeping with the effort to promote a culture of trust among employees the district will implement a fair and equitable recouping process; and

NOW THEREFORE, BE IT RESOLVED THAT:

1. All the above-referenced paragraphs are incorporated into and made a part of this resolution; and

2. The Board waives one-half of the days owed by individual HISD employees, meaning that employees will reimburse the district a minimum of four and one-half (4½) days to a maximum of ten (10) days; and

3. Employees may use available vacation days, local and/or state leave days ~~taken during the~~ from leave balances for the 2011-2012, 2012-2013 and 2013-2014 school years to reimburse the district; or

4. Employees may reimburse the district through payroll deduction spread over the 2012-2013, 2013-2014 and 2014-2015 school years; and

5. The Board finds that a public purpose and a benefit to the HISD exists to excuse and/or forgive one-half (1/2) of the amount owed by district employees in the reconciliation process, and that such waiver is necessary in the conduct of the public schools as provided by Texas Education Code § 45.105(c); and

[Intentionally left blank]

6. The Board hereby authorizes the Superintendent of Schools to waive one-half of the amounts owed by district employees in the reconciliation process, and to collect the remaining amount owed either through use of accrued leave or payroll deduction as set forth in paragraphs 3 and 4 above.

Approved this _____ day of October, 2012.

By: _____
Michael Lunceford, President
HISD Board of Education

Attest:

Rhonda Skillern-Jones, Secretary
HISD Board of Education

Office of Superintendent of Schools
Board of Education Meeting of October 11, 2012

Office of Academic Services
Julie Baker, Chief Academic Officer

SUBJECT: **PROPOSAL TO ESTABLISH BOARD POLICY FFB(LOCAL),
STUDENT WELFARE: CRISIS INTERVENTION—SECOND
READING**

House Bill (HB) 1386 requires the Texas Department of State Health Services and Texas Education Agency to provide a list of recommended early mental health intervention and suicide prevention programs for implementation in public schools within the general education setting. Since 1983, the Houston Independent School District (HISD) has established and implemented a collaborative plan for suicide prevention, intervention, and preparedness training for key district staff members, such as psychologists, counselors, social workers, nurses, teachers, and school administrators. The plan is consistent with the district's Emergency Preparedness Plan and the Comprehensive Guidance and Counseling program.

In keeping with the provisions of HB 1386, a new policy at FFB(LOCAL) that promotes early mental health intervention and suicide prevention is recommended. The suggested policy further supports the existing model for suicide prevention by:

- Establishing procedures for providing notice to the student's parent or guardian within a reasonable amount of time after identification of the early warning signs.
- Including a reporting mechanism.
- Adding a provision for the superintendent or designee to designate a liaison for purposes of identifying students in need of early mental health intervention or suicide prevention.
- Setting out available counseling alternatives.
- Prohibiting the use of medical screening to identify a student without prior consent of the student's parent or guardian. District policy and procedures are not intended to give a school district the authority to prescribe medications. All medical decisions are to be made by the student's parent or guardian.

The specifics of the plan, Coming Together to Care for Students in Crisis, will be available on the HISDConnect Employee Portal and included in the district improvement plan.

The newly proposed policy is attached.

COST/FUNDING SOURCE(S): None

STAFFING IMPLICATIONS: None

ORGANIZATIONAL GOALS/IMPACT: This agenda item supports HISD Goal 3: Provide a Safe Environment and is aligned with Core Initiative 5: Culture of Trust through Action.

THIS ITEM DOES NOT REQUIRE CONSULTATION.

THIS ITEM DOES ESTABLISH BOARD POLICY.

RECOMMENDED: That the Board of Education approve the proposed establishment of Board Policy FFB(LOCAL), *Student Welfare: Crisis Intervention*, on second reading, effective October 12, 2012.

STUDENT WELFARE
CRISIS INTERVENTION

FFB
(LOCAL)

MENTAL HEALTH
INTERVENTION /
SUICIDE PREVENTION
PROGRAM

The District has established a program for early mental health intervention and suicide prevention for students, which includes training for appropriate District staff on early warning signs and the possible need for intervention. The program is consistent with the District's Emergency Preparedness Plan and the Comprehensive Guidance and Counseling program. [See FFB(EXHIBIT)]

LIAISON

The Superintendent or designee shall appoint Psychological Services as District liaison for the purpose of identifying students who may be in need of mental health intervention or who may be at risk of committing suicide. The District shall publish the contact information of the District liaison on the District's Web site.

MAKING A REPORT

In accordance with the District's program, District staff shall report to the liaison a student who displays early warning signs indicating a possible need for early mental health intervention or who may be at risk of committing suicide.

NOTICE TO PARENT

When the District liaison receives a report that a student is possibly in need of mental health intervention or at risk of committing suicide, the District liaison or campus designee, in accordance with the District's Emergency Preparedness Plan, shall notify the student's parent and provide information about available counseling options.

MEDICAL
SCREENINGS

Only a student's parent may consent to a medical screening. Unless a student's parent has provided prior consent, no medical screening shall be used as part of the process of identifying whether a student is possibly in need of intervention or at risk of committing suicide.

CONSENT TO
COUNSELING

According to Texas Family Code section 32.004 (a), child may consent to counseling for suicide prevention. Also in section 32.004 (b), a licensed or certified physician, psychologist, counselor, or social worker having reasonable grounds to believe that a child is contemplating suicide, may:

- (1) Counsel the child without the consent of the child's parents or, if applicable, managing conservator or guardian;
- (2) With or without the consent of the child who is a client, advise the child's parents or, if applicable, managing conservator or guardian of the treatment given to or needed by the child; and
- (3) Rely on the written statement of the child containing the grounds on which the child has capacity to consent to the child's own treatment under this section.

Section (c) further stipulates that unless consent is obtained as otherwise allowed by law, a physician, psychologist, counselor, or

social worker may not counsel a child if consent is prohibited by a court order. [See FFE(LEGAL)]