TEXAS SYSTEM OF EDUCATION SERVICE CENTERS

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Executive Summary

Each LEA was asked to determine the cost it would experience if it purchased similar products/services from another provider or the cost it incurred if it did so to produce these products/services internally. Factors LEAs considered

Constraints

Several limitations constrained the information collected and conclusions drawn. In this seventh report in which ESCs estimated and submitted cost savings information, as in the past, the methodology was adjusted to improve reporting and provide more accurate information. The ESCs determined that the method used during the first year of this report did not accurately reflect the cost savings that the Rider attempted to capture; therefore, in 2012, the ESCs implemented a new methodology. In 2014, after consulting with TEA, additional information was added to provide greater clarity to the diverse products/services provided by the ESCs, specifically related to technology support. The methodology will continue to evolve, as future reports may warrant.

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

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

Conclusions

The analysis found that LEAs experienced significa

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

The greatest amount of savings for those who participated in the survey averaged $228,659 out of $22.9 million total savings solely from professional development services. Professional development included over 1,081,407 hours of training for school board members, teachers, school administrators, mentors, and parents.

The second greatest amount of savings for surveyed LEAs was from ESC Products. ESCs provided 5,873 products to LEAs. These products, on average, saved surveyed LEAs $129,975 per year.

Table 3: Estimated Savings from LEA Case Studies

Products/Services Provided	Total Savings	Percent of Total Savings
Professional		

Funding

Rider 34 appropriated $11.875 million in each fiscal year 2020 and 2021. All other state funds included grants/contracts

Role of Education Service Centers

In accordance with statute, ESCs actively delivered training and consulting assistance to LEAs, educators, and other individuals involved in the education process. ESCs provided professional development in all areas of the education spectrum; secured and/or developed products/services at reduced prices for LEAs; provided technical assistance in all facets of the education process; and performed other activities that met the needs of LEAs.

ESCs also partnered with private entities and so E partnere[(wi)-4(v)]T7.5[]br se,(t)0.9 700 t est(s)9.6 T(l)][(T)1.04(.)63.3 fvureswo

own classrooms, saving LEA resources while still increasing opportunities for students.

ESCs provided a variety of professional development opportunities to educators across the state. For 2018-2019, 782,221 (duplicates counted) educators participated in professional development trainings via distance learning. The same system also provided 4,787 education professionals access to certification work.

Each of these services, along with low-cost computing technologies and additional Internet services, provided significant cost savings to LEAs. Cost savings were realized through reductions in travel costs, additional personnel, and by receiving a more competitive rate when compared to other service providers. It was estimated that ESCs statewide saved LEAs over $63.5 million during the past biennium through technology services. This number was derived by comparing services to other possible providers and by factoring in the travel cost of staff and students attending classes and professional development in person.

Case Studies of LEAs

School Districts Compared to Charter Schools

The case studies consisted of 93 school districts and 7 charter schools. School districts averaged greater savings per WADA when compared to charter schools, as well as a greater average total savings.

Table 5: Savings for School Districts versus Charter Schools

	School Districts	Charters
Average Savings	$566,00	$237,87
Average Savings Per WADA	$539.2	$171.1

Table 6: *Urban/Suburban LEAs: • 25,000 WADA*

Number of LEAs	8
Total Savings	$14,306,1
Average Savings	$1,788,2
Average Savings/WADA	$31.1

Table 7: *Large LEAs: 5,000 ' >25,000*

Number of LEAs	7
Total Savings	$6,502,3
Average Savings	$928,9
Average Savings/WADA	$83.3

Table 8: *Mid-sized LEAs: 1,600 ' > 5,000*

Number of LEAs	22
Total Savings	$9,3714
Average Savings	$425,9
Average Savings/WADA	$116.0

Table 9: *Small LEAs: <1,600*

Number of LEAs	63
Total Savings	$24,123,2
Average Savings	$382,9
Average Savings/WADA	$761.3

Cost Savings Comparison to Other Providers

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Table11FTEsAnd Salaries

2020-2021	FEDERAL GRANTS		STATE GRANTS		RIDER 34 LEGISLATIVE APPROPRIATIONS		LOCAL REVENUE		TOTAL	
ESC	FTE	TotalSalaries	FTE	TotalSalaries	FTE	Total Salaries	FTE	TotalSalaries	FTE	TotalSalaries
1	136.070	$8,903,56	91.150	$5,991,23	1.400	$211,49	797.263	$17,379,3	1025.883	$32,485,6

Client Satisfaction

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

All quantitative items on the combined overall report received scores between a 4.61 and 4.74 on a 5-point Likert scale ranging from a 1 – "Very Dissatisfied" to a 5 – "Very Satisfied." These scores were very similar to the scores from the prior year. The highest scoring overall items were "Services LEAs receive assisting with federal and state regulations and guidelines (i.e., ESSA, PBM, Child Nutrition)," "Services and support for PEIMS," and "School Board Training Services." The respective scores were 4.74, 4.73, and 4.71. The lowest scoring items were "Advanced Academics Education," "Migrant Education," and "Social Studies." Overall, these items scored 4.61, 4.63, and 4.64, respectively. For most items, 90% of all respondents expressed that they were "Very Satisfied" or "Satisfied" with the various services assessed.

Education Service Centers of Texas

[redacted]	ecutive Director	[redacted]	Phone Number	C

Appendix A: Cost Savings Experienced by Local Education Agencies

District	Charter or ISD	Region	WADA	Total Cost Savings	Total Cost Savings Per WADA

Ralls	ISD	17

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x Server Hosting
ITV - Equipment Support/Troubleshooting
ITV - Scheduling/Instruction
Job Fairs
Juvenile Justice Alternative Education Services
Language Proficiency Assessment Committees (LPAC)
Decision Making
Languages Other Than English
Laserfiche Training
Leadership Development
Least Restrictive Environment

- Overall D Districts & Campuses
- Domain D Districts & Campuses
- Targeted Support & Improvement Campuses

Additional Targeted Support & Improvement Campuses
School Meal Initiative and Menus
School Messenger
School Safety and Audits
Science
Scripting and Automation of Data Exchanges between Software Packages
Server Administration
Shared Services Arrangements (SSAs)

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

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- 82nd Legislature - Rider 39 Report on Cost Savings - December 2010
- 83rd Legislature - Rider 39 Report on Cost Savings - December 2012
- 84th Legislature - Rider 38 Report on Cost Savings - December 2014
- State Audit of certain programs – 2014
- State Audit of TEA and ESC Contracts – 2016
- 85th Legislature - Rider 35 Report on Cost Savings - December 2016
- Boston Consulting Group (BCG) audit of TEA – included services offered by ESCs – Fall of 2016
- 86th Legislature - Rider 34 Report on Cost Savings - December 2018
- 87th Legislature - Rider 34 Report on Cost Savings - December 2020