

Tucson Unified School District

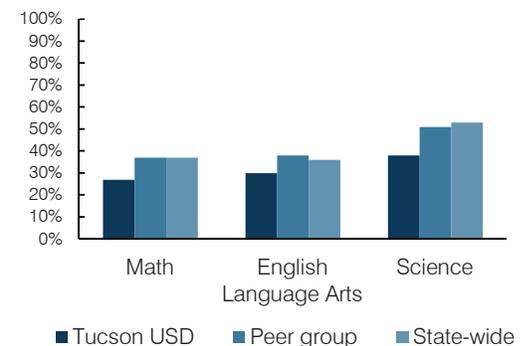
CONCLUSION: In fiscal year 2016, Tucson USD's student achievement was lower than the peer districts', and it operated with higher per pupil costs in all noninstructional areas. Specifically, the District's administrative costs were much higher than the peer districts' average because the District paid some higher salaries, employed more administrative positions, and had some additional expenses related to its court-ordered desegregation programs that the peer districts did not have. In addition, the District needs to strengthen some of its computer controls. The District's plant operations cost per pupil was much higher than the peer districts' average primarily because it operated and maintained more square footage per pupil. Although the District's food service cost per meal was slightly higher than the peer districts' average, this resulted from some additional, infrequent costs in fiscal year 2016, and the program was otherwise reasonably efficient. Lastly, the District's transportation program had much higher costs per mile and per rider than the peer districts' averages, but costs were high because of the added transportation responsibilities placed on the District by its court-ordered desegregation programs.

Lower student achievement and higher costs in all noninstructional areas

Student achievement lower than peer districts'—In fiscal year 2016, Tucson USD's student test scores were slightly lower in Math and English Language Arts and lower in Science when compared to the peer districts' averages. The District's 86 percent graduation rate in fiscal year 2015 was similar to the peer districts' 84 percent average and higher than the State's 78 percent average.

Higher costs in all noninstructional areas—In fiscal 2016, Tucson USD's administrative costs were much higher than the peer districts', on average, because the District paid some higher salaries, employed more administrative positions, and had some additional expenses related to its court-ordered desegregation programs, such as legal expenses, that the peer districts did not have. The District's plant operations cost per pupil was much higher than the peer districts' averages because the District maintained more square footage per student, and it operated some of its schools far below their designed capacities. In addition, the District had higher energy costs than the peer districts, on average. The District's food service cost per meal was slightly higher than the peer districts' average because of some additional and infrequent costs, and its food service cost per pupil was much higher because it served more meals per pupil than the peer districts, on average. Finally, the District's transportation costs per mile and per rider were much higher than the peer districts' averages because of added transportation responsibilities placed on it by its court-ordered desegregation programs. Despite the much higher costs, the District operated efficient bus routes and employed other efficient practices, such as monitoring fuel usage.

Percentage of students who met or exceeded state standards
Fiscal year 2016



Comparison of per pupil expenditures by operational area
Fiscal year 2016

	Tucson USD	Peer group average
Administration	\$ 929	\$673
Plant operations	1,127	859
Food service	405	329
Transportation	487	341

Much higher administrative costs and inadequate computer controls

Much higher administrative costs—In fiscal year 2016, Tucson USD's administrative costs per pupil were 38 percent higher than the peer districts' average primarily because the District paid some higher administrative salaries

and employed more administrative positions. Another contributor to the District's higher administrative costs were costs related to the District's court-ordered desegregation programs, including legal costs and costs for staff who administered the desegregation programs as specifically required by the District's court order. The two peer districts that also had desegregation programs in fiscal year 2016 did not spend any of their desegregation monies for administrative purposes likely because their agreements were not as complex as Tucson USD's, and the agreements did not require the districts to hire additional administrative staff as is mandated by Tucson USD's court order.

Recommendations

The District should determine and implement ways to reduce administrative costs.

High plant operations costs primarily for excess building space

In fiscal year 2016, Tucson USD's plant operations cost per pupil was 31 percent higher than the peer districts' average because it maintained a large amount of excess building space. To its credit, the District recognized that it had excess building space and high plant operations costs and closed 14 schools between fiscal years 2012 and 2016. However, the District continued to have some schools with excess space. Specifically, the District's high schools operated at an average of only 52 percent capacity in fiscal year 2016. Maintaining more building space is costly to the District because the majority of its funding is based on its number of students, not the amount of square footage it maintains. Further, having older buildings and inefficient energy management systems led to the District's higher energy costs. Although the District has taken steps to reduce its energy usage, more can be done, such as implementing comprehensive energy conservation plans.

Recommendations

The District should:

- Continue to review the use of space at its schools and implement ways to reduce identified excess space.
- Develop and implement comprehensive energy conservation plans.

District spent \$63 million on court-ordered desegregation programs

In 1974, two lawsuits alleging racial discrimination were brought against the District, and in 1978, the District reached a settlement agreement with the plaintiffs to begin the desegregation process. A federal court judge ruled in 2008 that the District had achieved unitary status, meaning it had eliminated the vestiges of past discrimination. However, the plaintiffs appealed, and in 2011, the District was placed back under court monitoring and required to develop a comprehensive unitary status plan (USP). Under the USP, the District is required to offer programs that provide meaningful access to advanced learning opportunities, extracurricular activities, opportunities to attend integrated schools, and facilities and technology for minority students and limited English proficient students among other requirements. In fiscal year 2016, Tucson USD spent \$63 million, or \$1,403 per pupil, to provide these programs, to comply with agreements it made with the U.S. Department of Education's Office for Civil Rights, and to partially fund the state-mandated Structured English Immersion program. The USP requires outside oversight and approval of many district decisions before they can be implemented as well as a review of its desegregation expenditures.

In March 2017, the District filed for partial unitary status, and in May 2017, the court ruled that the question of partial unitary status was moot because it was so close in time to the filing for full unitary status. The District faces several challenges as it moves forward with its efforts to achieve unitary status in all of the USP's areas, including attaining racial integration at its schools and providing English Language Learner and dual language programs that meet the USP's and the State's requirements.

Recommendation

The District should continue to evaluate its desegregation programs and determine practical ways to create sustainable long-term programs that will meet the USP's requirements, which would help position it to attain unitary status.