Coachella Valley Unified School District

Transportation Review

April 6, 2010

Joel D. Montero
Chief Executive Officer

April 6, 2010

Ricardo Z. Medina, Superintendent
Coachella Valley Unified School District
225 Church Street
Thermal, CA 92274

Dear Superintendent Medina:

In December 2009, the Coachella Valley Unified School District entered into a study agreement with the Fiscal Crisis and Management Assistance Team (FCMAT) for FCMAT to perform the following:

1. Conduct a review of the transportation budget utilizing two years of audited financial statements to provide a comparative cost analysis with the 2009-10 fiscal year budget that will include the following amended components. The objective is to determine district trends for revenues and expenditures and make recommendations, if any:

    a. Budget assumptions for 2009-10
    b. Budget to actuals comparison for two historical years
    c. The 2009-10 operating budget
    d. Operating revenues and expenditures as a percent of the total budget
    e. Operating expenditures
    f. Expenditure line item explanations
    g. Sources and uses of funds
    h. Debt obligation
    i. Capital asset distribution
    j. Interagency transfer of funds

2. Provide recommendations for appropriate staffing levels and organizational structure for the Transportation Department using comparative school districts. Comparisons should be made to school district departmental operations regarding productivity and efficiency models and shall include the following components:

    a. Personnel summary by district
    b. Review job descriptions to conduct salary and benefit comparison versus school district positions

c. Review customer service records or logs
d. Review support training by position

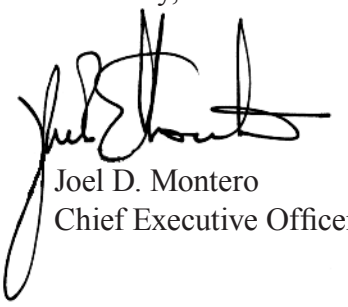
3. Review specifically the operations of transportation services which shall include the following:

Management

a. Care and supervision
b. Contract and bidding process
c. Operations, routing and scheduling
d. Demographic data
e. Average weekly ridership by summary and district
f. Routing methodologies
g. Number of routes
h. On-time performance and efficiency review
i. Vehicle maintenance and inspection reports
j. Loading and student counts
k. School bus inventory
l. School bus replacement schedule
m. Equipment availability
n. Field trips
o. Customer service or complaint logs
p. Ridership forecast summary
q. Dispatch
    1. Assigned buses per contract
    2. Drivers possess appropriate licenses

FCMAT visited the district to collect data, conduct interviews and review documents. This report is the result of those activities. Thank you for allowing us to serve you, and please give our regards to all the employees of the Coachella Valley Unified School District.

Sincerely,



Joel D. Montero
Chief Executive Officer

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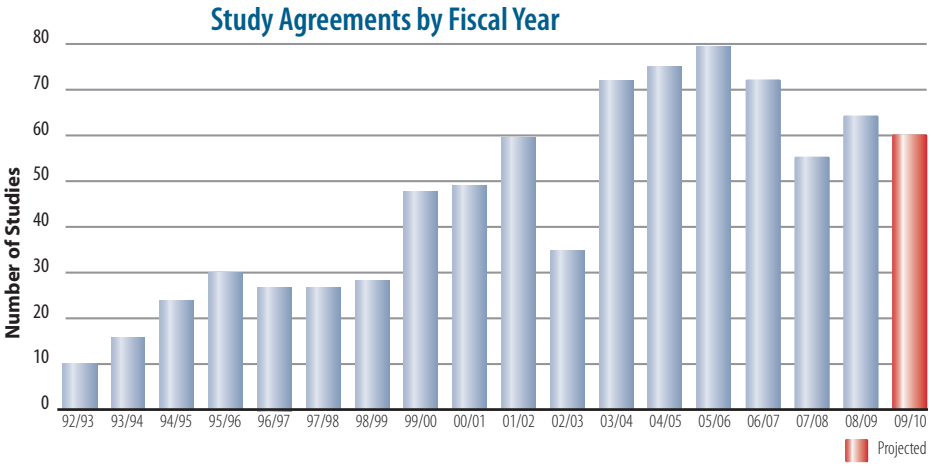
Foreword - FCMAT Background

The Fiscal Crisis and Management Assistance Team (FCMAT) was created by legislation in accordance with Assembly Bill 1200 in 1992 as a service to assist local educational agencies (LEAs) in complying with fiscal accountability standards.

AB 1200 was established from a need to ensure that LEAs throughout California were adequately prepared to meet and sustain their financial obligations. AB 1200 is also a statewide plan for county offices of education and school districts to work together on a local level to improve fiscal procedures and accountability standards. The legislation expanded the role of the county office in monitoring school districts under certain fiscal constraints to ensure these districts could meet their financial commitments on a multiyear basis. AB 2756 provides specific responsibilities to FCMAT with regard to districts that have received emergency state loans. These include comprehensive assessments in five major operational areas and periodic reports that identify the district's progress on the improvement plans.

In January 2006, SB 430 (charter schools) and AB 1366 (community colleges) became law and expanded FCMAT's services to those types of LEAs.

Since 1992, FCMAT has been engaged to perform nearly 750 reviews for local educational agencies, including school districts, county offices of education, charter schools and community colleges. Services range from fiscal crisis intervention to management review and assistance. FCMAT also provides professional development training. The Kern County Superintendent of Schools is the administrative agent for FCMAT. The agency is guided under the leadership of Joel D. Montero, Chief Executive Officer, with funding derived through appropriations in the state budget and a modest fee schedule for charges to requesting agencies.



Total Number of Studies..... 743
Total Number of Districts in CA.....1,050

Management Assistance	705	(94.886%)
Fiscal Crisis/Emergency	38	(5.114%)

Note: Some districts had multiple studies.
Eight (8) districts have received emergency loans from the state.
(Rev. 12/8/09)

Introduction

The Coachella Valley Unified School District is located in southwestern Riverside and northern Imperial counties and has an enrollment of approximately 18,416 students. Approximately 50-60% of the students at several of the district's schools receive transportation services. The district is composed of two comprehensive high schools grades 9-12, one 7-12 school, three middle schools grades 7-8, 14 elementary schools grades K-6, and one continuation school. After several years of rapid student growth, the district's enrollment has been relatively flat as a result of economic factors affecting this predominately agricultural community.

The district's boundaries cover 1,220 square miles, making it one of the geographically largest in the state. It encompasses the city of Coachella, portions of the communities of La Quinta and Indio, and the unincorporated communities of Thermal, Mecca, Oasis, Flowing Wells, Chirico Summit, Salton City, North Shores and Salton Sea Beach. The original economic foundations of these communities were agriculture and service-related, but in recent years, tourism and service-related employment have increased.

The typical climate in the Coachella Valley is sunny and arid, with an average temperature of more than 100 degrees in summer and a rainfall average of less than eight inches per year. The topography of the district is primarily flat, with parts reaching higher elevations.

Study Agreement

As defined in the study agreement, FCMAT was requested to do the following:

1. Conduct a review of the transportation budget utilizing two years of audited financial statements to provide a comparative cost analysis with the 2009-10 fiscal year budget that will include the following amended components. The objective is to determine district trends for revenues and expenditures and make recommendations, if any:

    a. Budget assumptions for 2009-10
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    b. Review job descriptions to conduct salary and benefit comparison versus school district positions
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    p. Ridership forecast summary
    q. Dispatch
        1. Assigned buses per contract
        2. Drivers possess appropriate licenses

Study Guidelines

FCMAT visited the district on January 25-28, 2010 to conduct interviews with district staff, collect data, review documents and inspect facilities. This report is the result of those activities and is divided into the following sections:

- Operational Cost Analysis
- Organizational Structure

- Driver Training
- Routing Methodology
- Technology
- Vehicle Maintenance

Study Team

The study team was composed of the following members:

Debi Deal, CFE
FCMAT Fiscal Intervention Specialist
Los Angeles, California

Laura Haywood
FCMAT Public Information Specialist
Bakersfield, California

Timothy Purvis*
Director, Transportation
Poway Unified School District
Poway, California

Michael Rea*
Executive Director, Transportation
West County Transportation Agency
Santa Rosa, California

*As members of this study team, these consultants were not representing their respective employers but were working solely as independent contractors for FCMAT.

Executive Summary

Coachella Valley Unified School District is located in the small unincorporated city of Thermal in Riverside County, approximately 9.5 miles north of the Salton Sea. Thermal is one of the hottest locations in North America, with summertime temperatures up to 122 degrees Fahrenheit, and one of the lowest elevations at 118 feet below sea level.

The district transports approximately 9,300 students daily on 80 bus routes to 22 schools over a large geographic area that includes several rural unincorporated cities. Its territory is one of the largest for school districts in California. The district's Transportation Department also provides home-to-school student and special education transportation to Salton City, a remote area of Imperial County, under a special agreement.

The district requested FCMAT to provide a comprehensive review of its transportation operations and services and offer recommendations for appropriate staffing levels and organizational structure; review specific operational components for compliance with laws and regulations; and provide a comparative cost analysis over a two-year period.

While most school districts in California have declining enrollment, Coachella Valley USD has experienced modest growth over the last two fiscal years. Currently the district serves 18,416 students.

Operational Cost Analysis

The district's comprehensive transportation program spans 20 hours each school day. The ability to effectively manage resources requires the efforts of many employees with the technical skills to oversee a large program and the right technical tools to gather meaningful information with which management can make decisions.

The state's budget crisis has severely impacted the district's ability to manage program costs with revenues that have been cut by 20%. The cost of doing business has escalated for the transportation program where the primary expenditure categories are salary, fringe benefits, fuel and vehicle maintenance.

The collective bargaining agreement restricts management's implementation of many operational efficiencies afforded to comparable districts. The contract dictates the number of full-time drivers that must be hired each year and guarantees work hours, which may or may not correlate with the number of routes needed in any fiscal year. In addition, employees that work in excess of four hours per day receive a full fringe benefits package that is fully funded by the district. This type of collective bargaining agreement limits the district's ability to adjust the operating budget in difficult fiscal periods for declining enrollment. The result is that other district programs bear the full fiscal impact of budget reductions, layoffs and, in the current fiscal year, reductions in compensation for all classified employees.

Organizational Structure
FCMAT was asked to determine if the Transportation Department is staffed appropriately to meet departmental needs, and if the district is achieving maximum productivity and efficiencies with the current organizational structure.

The team carefully examined staffing and personnel needs as compared with programs of similar size. It is recommended that the district restructure the department to be more effective and efficient by realigning department supervisors and support personnel in addition to reconfiguring the tasks, duties and responsibilities accordingly. A recommended organizational chart is included in this report to assist the district with this effort.

Driver Training
Driver training is a critical component of the school transportation program. Trainers have the responsibility to document and maintain records, keep records up to date, provide renewal and regularly scheduled in-service training events and develop well planned safety in-service programs for all staff.

During budgetary reductions, the district did not fill a vacancy for a certified school bus trainer and eliminated the second school bus trainer position in the process. Three other employees are certified to perform this work; however, training events must be scheduled around other job duties and responsibilities. In addition, the district was recently released from two consecutive "Unsatisfactory" terminal ratings by the California Highway Patrol (CHP) motor carrier. The primary issues for the rating included poor record keeping on drivers and lack of required records normally managed by driver trainers. It is highly recommended that the district fill the position of school bus trainer immediately to ensure compliance with all state and federal laws and regulations.

Routing Methodology
Approximately 50-60% of the district's 18,416 students are transported to and from school each day utilizing 80 routes that cover 1,220 square miles. A transportation program this large requires a sophisticated routing software program that can track the district's student population and allow the staff to create transportation eligibility by school attendance area.

This enormous task is done manually by three employees and takes most of the summer to complete. Many changes occur during the year as students enter and exit the program or move to new attendance areas. Staff must constantly update the routes. The district should explore software options to manage the routing more efficiently.

Because routing is done manually, the district has experienced inaccurate state TRAN reporting indicating that student ridership is much higher than actual. The district should review these reports for accuracy and resubmit the information.

Technology
The district has made efforts in recent years to implement and use technology in its transportation program. Most recently, the district implemented a sophisticated GPS system that can pinpoint and record vehicle stops, speeds, travel routes, excessive idling in addition to pre- and post-trip electronic vehicle inspection and compliance information. A fuel management system aids in managing the district's fuel distribution.

District transportation staff members have varying levels of familiarity and comfort with various software applications. The district should ensure that the appropriate staff members receive adequate professional development training and support for systems that are currently in place.

Vehicle Maintenance
The district has a comprehensive vehicle maintenance program to meet the demands of the transportation program. There are several mechanics that cover two full shifts of operation from 4 a.m. to 11:30 p.m. each school day.

The staffing for vehicle maintenance is adequate for the total fleet size of 240 vehicles plus other support types of equipment. Most of the preventative maintenance work is performed during the night shift when vehicles are not in use. Regular repair work is generally done during the day shift.

As previously mentioned, the Transportation Department received two consecutive "Unsatisfactory" terminal grade ratings by the CHP motor carrier. The first, in August 2008, was due to a high number of overall deficiencies and/or irregularities identified in the district's vehicle maintenance program, vehicle records and driver records. The second citation was in October 2008. This review cited insufficient drug/alcohol records, and several drivers that were not enrolled in the district's Department of Transportation (DOT) pre-employment, random substance and alcohol program. In addition, the review found deficiencies in the requirement for annual summary of testing results for the 2007-08 school year and no records to verify that department supervisors had received the DOT training for reasonable suspicion testing as required.

In February 2009, the district was issued a "Conditional" rating noting several improvements in record keeping. During the same visit, CHP placed two buses out of service because of defective tires. Four buses exceeded the service requirement of 45 days or 3,000 miles, whichever occurs first, and nine drivers were not identified in the DMV pull notice system.

Finally, in July 2009, the inspection by the CHP resulted in an upgrade from "Conditional" to "Satisfactory," which is the highest rating provided by the CHP.

The two consecutive failed terminal inspections indicate serious problems with the district's documentation processes in the transportation program. This type of rating is very rare and should be of great concern. The district should ensure that a review of processes and procedures is conducted regularly to maintain compliance with state and federal regulations.

Findings

Operational Cost Analysis

The district operates a comprehensive transportation program that spans several hundred miles in rural communities and faces many challenges and unique traffic hazards that limit the district's ability to enforce certain walking distances. For example, many of these rural communities are situated near major highways. Without transportation services, students would be required to cross the highways to and from school each day. These factors need to be evaluated from a safety as well as a cost perspective in preparing a cost analysis.

FCMAT prepared a comparative fiscal analysis of revenues, expenditures and program encroachment over the last two fiscal years' audited actuals to the current year projections at second interim. The most significant variance was the increase in encroachment or contributions from the unrestricted general fund to support the transportation program.. The level of encroachment almost doubled over the previous fiscal year. Encroachment is the net difference between the shortfall in current revenue plus beginning balance (if any) over current expense. Factors that contribute to increased encroachment are decreases in revenue, increases in expenditures or both.

The budget crisis has severely affected a number of programs for districts throughout the state. The transportation categorical program has received the largest reduction in funding. From 2008-09 to the current year, program revenues were cut by 20%. No cost of living allowance was provided in the 2007-08 fiscal year. During the same time period, fuel costs and many other program costs skyrocketed, including health and welfare benefits. When costs increase and the revenues to support a program decrease, the district will see increased encroachment.

The chart below combines the regular home-to-school and special education program revenues and expenditures over three years that includes the current year projected financial data as of the second interim financial report (July 1 - January 31). Because of the reduction in state revenues, the district lost $729,458 in funding from 2007-08 to 2009-10. At the same time, expenditures increased by $423,424. A closer analysis reveals that individual major object codes decreased significantly in 2008-09 over the prior year and then increased considerably during the current year. For example, expenditures for books and supplies dropped by almost $600,000 from 2007-08 to 2008-09 but then increased by $593,000 in the current year. Many of the major object categories followed this pattern.

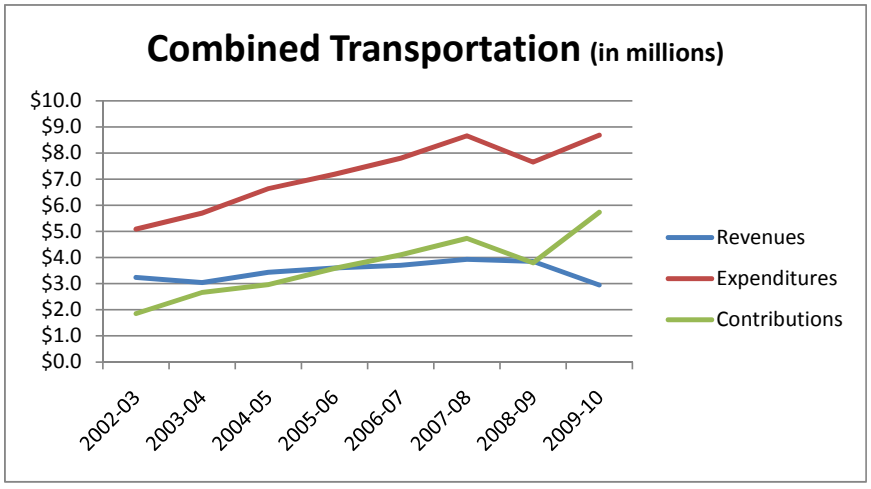
The encroachment declined by $934,000 from 2007-08 to 2008-09 but increased sharply by $2.4 million from 2008-09 to the current year. One possible explanation could be that the current year expenditures have increased appreciably, or are overstated. Once the district closes the books for the current year, the actual revenues and expenditures will be known.

Comparative Program Revenues and Expenditures For the Fiscal Years 2007-08 through 2009-10 Projected

	2007-08 Actuals Combined	2008-09 Actuals Combined	2009-10 2nd Interim - Projected Combined	Actual Monthly Shortfall Percentage
REVENUES				
State Revenues	3,676,400	3,676,400	2,946,942	-4.0%
Other Local Revenues	251,554	177,441	0	-5.0%
Total Revenues	**3,927,954**	**3,853,841**	**2,946,942**	**0.0%**
EXPENDITURES				
Classified Salaries	4,542,721	4,166,557	4,262,756	5.0%
Employee Benefits	2,163,283	2,110,752	2,387,781	-4.5%
Books and Supplies	2,011,647	1,414,021	2,007,000	4.0%
Services, Other OP Exp	-76,491	-180,634	404,772	4.5%
Capital Outlay	17,725	139,345	20,000	-8.5%
Total Expenditures	**8,658,885**	**7,650,041**	**9,082,309**	**0.0%**
EXCESS (DEFICIENCY) OF REV/EXP (A5 - B9)	-4,730,931	-3,796,200	-6,135,367	-3.0%
Contributions	**4,730,931**	**3,796,200**	**6,135,367**	**-4.5%**

The following chart depicts actual revenues and expenditures from 2002-03 to the current year projected at second interim. The graph shows the sharp decline in expenditures during the 2008-09 fiscal year and the corresponding increase projected for the current fiscal year (2009-10). Also illustrated is the widening of the program revenue gap over time and the substantial cut in revenues in the current year, coupled with a marked increase in expenditures that caused the encroachment to almost double over the previous year.

Actual Revenues and Expenditures 2002-03 to 2009-10 Projected at Second Interim



The single largest expense in the transportation budget is for salaries and benefits, representing 73% of the total expenditures in the current fiscal year.

The district should analyze the current year budget to ensure that projections are realistic and accurate.

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The single largest expense in the transportation budget is for salaries and benefits, representing 73% of the total expenditures in the current fiscal year. Supplies are 22% of the operating budget. Monitoring employee costs for salary and benefits is the single most important element in controlling encroachment. The district has 31 full-time bus drivers and 52 six-hour bus drivers that all receive a full fringe benefit package paid 100% by the district.

The transportation program operates under a liberal employee bargaining agreement that limits the district's ability to gain operational efficiencies in bus driver contract time required for annual changes in routing demands. The California School Employees Association (CSEA) collective bargaining agreement section 17.1.2 (D) states that:

> "The District will guarantee twenty (20) eight (8) hour routes at the beginning of each school year and another eleven (11) eight (8) hour routes at the end of the third week of each school year."

In addition, section 17.1.3 (D) provides four cover bus drivers eight hours per day that are not assigned a regular bus route but instead are used as relief drivers or may be assigned other duties normally assigned to bus drivers when not driving a bus.

In exchange for no classified reductions in force, the district agreed through a Memorandum of Understanding (MOU) that the entire CSEA bargaining unit would experience a 1.5% salary reduction for the 2009-10 fiscal year. As a result of this MOU, the district was locked into the existing numbers of drivers for the current fiscal year, which resulted in three more drivers than the total number of routes available. Specifically, the district employs 83 drivers for 80 bus routes.

These types of guarantees in the collective bargaining agreement limit the district's ability to adjust the operating budget in difficult fiscal times, or to adjust to declining enrollment. The result is a safe harbor for the transportation program, forcing other programs to sustain the full impact of budget reductions in the current year.

Current contract language guarantees a specified number of drivers and hours versus actual route time required from year to year. As a result, the district must employ drivers for more time than needed to meet the transportation requirements of students. In the current fiscal year, the district pays for approximately 59.25 hours per day in excess of the total needed

driving time required for routing assignments. Based on 2008-09 district source data, this costs the district approximately $1,478.28 per day. With 180 school days, the total cost is $266,090 for driver time beyond that needed to meet the current transportation daily route demands.

The current contractual agreement is the result of many years of rapid growth in the district's transportation program and the need to secure drivers in a competitive employment environment. In a four-year period of time from 2004-05 to 2007-08, the district's student population grew by 2,751. Over the last three fiscal years, the district has had modest growth of only 213 students. The district should discuss and propose a fair and equitable contract arrangement and should craft language that would include parameters for both drivers and management. This type of agreement would allow for individual driver contract alterations annually as routing demands either increase or decline.

FCMAT observed additional daily route work assigned to six-hour drivers who were receiving up to eight hours of pay daily, while existing eight-hour drivers were working less than eight hours each day. This inequity has created disproportionate work between employees of the same classification and makes it difficult for the director and transportation supervisors to assign work to fill the paid time. The collective bargaining agreement states in section 17.1.1 (E) that extra work assignments beyond the "base hours" and "any drivers who do not drive eight hours" shall be available on a seniority basis and any remaining work will go on an overtime list. Absent this language, the district could assign the extra work to fill in for those eight-hour employees that do not have enough work to fill eight hours of district-paid time. The district should propose a recommendation that utilizes the existing unfilled labor hours of those eight-hour employees before incurring the additional cost of extra time for employees that work less than full time to maximize resources.

Organizational Structure

FCMAT was requested to provide recommendations for appropriate staffing levels and changes to the organizational structure. The stated objective was to determine if the Transportation Department is staffed appropriately to meet the needs of the department's operations and if the district is achieving maximum productivity and efficiency.

The district operates 80 daily bus routes that cover 1,220 square miles and provide more than 1,700 annual field trips. The district utilizes 63 large buses for regular home-to-school transportation and 17 small buses for special education transportation services to transport students throughout the district each school day.

This study carefully examined staffing and personnel needs of the district. The team determined that the staffing level is appropriate for a program of its size compared with similar transportation programs that have been reviewed by FCMAT, but the roles and responsibilities could be maximized for greater efficiency.

Operational Support Staffing

The transportation operational support staff consists of the following positions:

- Transportation director (1)
- Transportation supervisor (2)
- Dispatcher (2)
- Field trip technician (1)
- Driver instructor (vacant)
- Staff secretary (1)

The operations office provides day-to-day operational support and is supervised by one director and two transportation supervisors. One supervisor is responsible for the routing for special education students and the other supervisor handles general supervisory duties.

The supervisor that oversees the special education routing also is responsible for continuous routing changes that are required due to the changing needs identified by the district's special education department. The district has 17 school buses designated for special education services, with an average of 13.7 students per route. This is a high student ridership average as compared to other reviews performed by FCMAT.

The second transportation supervisor does not provide home-to-school regular education routing for the remaining 63 routes. Instead, this function is split between the director, one dispatcher and the field trip technician. The routing approach for regular home-to-school transportation is accomplished by "regions" with each person assigned one region. This methodology is inefficient because there is not a central person overseeing this major task and there is no coordinated routing or review process through electronic routing

software. The district should coordinate routing of home-to-school transportation under the second supervisor through an electronic routing system. This would allow staff to optimize routing to ensure maximization of resources and provide data for annual cost reporting to the state. Providing accurate cost data for reporting has been a problem for the district.

Currently, the district does not have one position that is identified exclusively as a school bus trainer.

The district experienced tremendous budgetary reductions for the 2009-10 fiscal year. As a result, two state-certified school bus trainer positions were not filled following one vacancy, and a second position was eliminated. Currently, the district does not have one position that is identified exclusively as a school bus trainer. Instead, the duties for these positions have been reassigned to one transportation supervisor and two dispatchers that are state-certified school bus instructors. This has created conflicts in job duties and responsibilities because these employees have other positions within the department. Although these employees are filling the necessary in-service and behind the wheel instructional needs of the district's drivers, the current organizational design is subject to lack of oversight for the maintenance of driver records, required annual in-service trainings and safety programs such as the required annual school bus evacuation drills. The district has a large pool of school bus drivers and other support office and vehicle maintenance staff who are licensed to drive school buses; therefore, these employees are required to receive annual training. The district should consider filling the vacant position of school bus trainer immediately to ensure thorough oversight of all required school bus driver training needs.

The Transportation Department support personnel (director, transportation supervisors, dispatchers and field trip technician) rotate a later shift each school day to ensure office support coverage for drivers until 8 p.m. The office opens each morning at 4 a.m. Rotating schedules does not guarantee that the most knowledgeable person is available to assist with specific questions. The district should consider staggering the support staff personnel schedules to ensure that the appropriate personnel are available during school hours to address field trips questions and any changes in scheduling routes.

One possible configuration would be to assign one dispatcher to the opening schedule of 4 a.m. to 1 p.m., and a second dispatcher from 11 a.m. to 8 p.m. to cover the end of day activity. Assigning the field trip technician to an 8 a.m. to 5 p.m. shift would provide availability during normal school site hours to address field trip requests and questions. In addition, the technician could make driver field trip assignments and be available during most of the actual field trip departure times in the early and late afternoon time periods.

This configuration could also provide the district with additional advantages in route scheduling by assigning each dispatcher to one transportation supervisor. Because dispatchers generally possess the most current operational knowledge of routing, each dispatcher and supervisor combination could split the home-to-school and special education route scheduling.

Vehicle Maintenance Staffing

The district's vehicle maintenance staffing level is appropriate for the total fleet size of 113 school buses and 128 other support fleet vehicles. The district's operating ratio per mechanic position is 21.9 vehicles per position. This ratio falls within the normal range but is somewhat deceiving because the mechanic III position provides day-to-day supervision over the mechanic staff due to the vacancy of the fleet services supervisor position. Therefore, not all of the allotted time is spent working on vehicles.

The district has the following vehicle maintenance staff:

- Fleet services supervisor (vacant)
- Parts/service writer (1)
- Mechanic III (1)
- Mechanic II (5)
- Mechanic I (3)
- Mechanic helper (2)
- Utility transportation (1)
- Office technician (1)

The mechanic III position should not supervise the vehicle maintenance staff because it is a bargaining unit position and does not have supervisory authority and performance review responsibility over department employees. It was reported that the mechanic III works more than an eight-hour day on many occasions without denoting the additional work time. This could potentially create situations when this position may be needed to work additional hours to ensure that work on vehicles is completed timely during the evening shift. Additionally, all work in excess of contracted time should be authorized by management and recorded. The district should fill the fleet services supervisor position. This will allow the mechanic III to focus on the primary duties and responsibilities of this position and relive him of supervisory duties, which are beyond the scope of this classification.

The district has a large total fleet size of over 240 vehicles plus additional support types of equipment. Because of the comprehensive nature of the district's transportation program, the program operates two shifts of vehicle maintenance personnel per day. This split-shift arrangement optimizes the efficiency and needs of the department because of the large size of the transportation program, route distances traveled, buses arriving back from assigned routes late in the day, and the high volume of after-hours field trips.

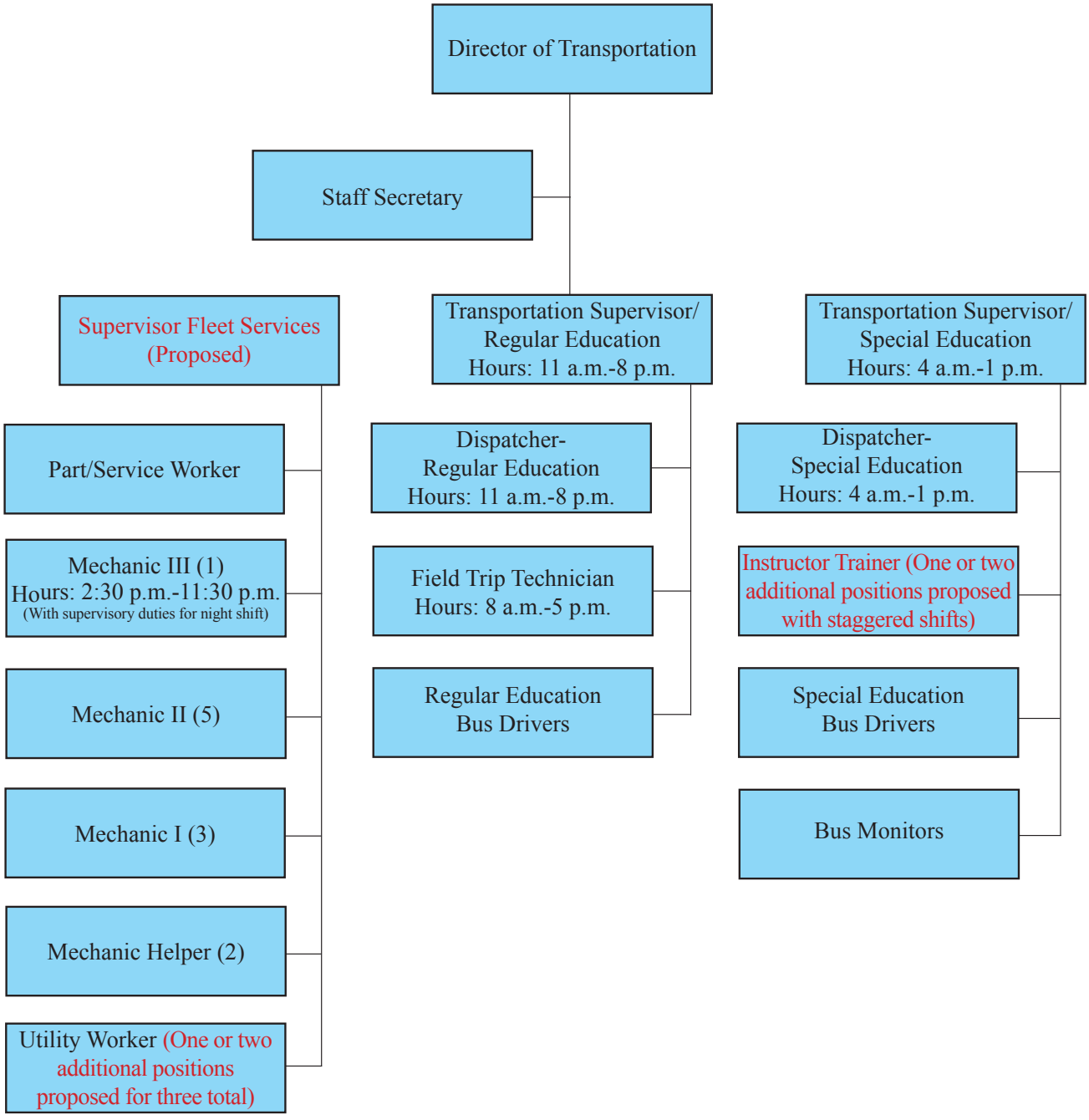
The night shift allows the vehicle maintenance staff the ability to provide general preventative maintenance and other work during the time when most of the buses and other vehicles are not in use. There are concerns that work production is substantially lower during the night shift. A review of actual district vehicle maintenance work orders could best determine the current ratio of work orders completed by night shift personnel

compared with that of day shift personnel. Another contributing factor could be the lack of supervision. The district does not have a lead supervisor position for the evening shift and this may be contributing to a loss of production in the shop. The shop staff, in combination with the large office and driving support staff, is simply too large for the transportation director to supervise for an operation that spans 20 hours each day.

The following recommended staffing structure suggests an organizational design that realigns some current positions within the department to meet existing needs and provides the appropriate level of supervisory and support staffing. The district should immediately fill the school bus trainer and fleet services supervisor positions.

In addition to filling existing vacancies described above, the recommendation includes the addition of two utility worker positions to replace the work that drivers currently perform to fill their eight-hour shift. This recommendation assumes that the district will align existing routes to the number of drivers needed to fill those routes. While it is a tremendous challenge for the transportation supervisors to identify and assign daily nondriving assignments to fulfill approximately 59 hours daily of nondriving time for the excess drivers employed, this time should be redirected to the utility worker positions to complete the tasks of fueling, washing and the repair of bus seats in a more resourceful manner.

Proposed Transportation Department Organization



Driver Training

Driver training is an essential component of any school transportation program. Trainers are responsible for documentation and maintenance of records that are up to date and in accordance with existing laws and regulations. Driver trainers should also be actively involved in the recruitment and retention of bus drivers.

As previously mentioned, the school bus trainer position is unfilled; however, three certified school bus instructors on staff are assigned to other positions n the transportation program and can provide this service.

The renewal and regularly scheduled in-service trainings are provided by the three certified instructors according to their availability. This presents a challenge for the staff to maintain and ensure current, well planned safety in-service programs for the staff. Transportation departments the size of Coachella Valley USD normally have one or two permanent certified driver instructor positions to support instruction for initial classes, behind the wheel training, renewal training, in-service programs, safety programs and records maintenance.

FCMAT conducted a random sampling of bus driver and other commercial driver records. The selection indicates that the required records are in good order. Evidence of required copies of driver licenses, commercial medical documentation, first aid verification and state training record T-01 cards are current and filed appropriately. In addition, the Department of Motor Vehicle Driver Pull Notice records of driving histories are in place. The actual driving records are well organized and kept in fireproof cabinets. FCMAT observed that these cabinets are left unsecured in a semiprivate area of the office during the day. These records should be kept secured and protected at all times due to the sensitive employment and personnel identification information of staff.

The importance of proper record keeping is evidenced by the fact that the district recently received an “Unconditional” terminal review notice from the DOT. The original notice was caused from inaccuracies in record compliance; lack of random substance testing that was not identified within the protocol of the DOT requirements; missing T-01 training documentation signed during the last training period and the fact that not all personnel had been identified in the district’s pre-employment and random sampling pool for substance testing.

Routing Methodology

The district's Administrative Regulation 3541 delineates maximum walking distances for home-to-school regular education transportation and gives authority to the superintendent to make for necessary adjustments for special circumstances:

- 1 mile for grades K-5
- 1.75 miles for grades 6-8
- 2 miles for grades 9-12

FCMAT noted that these walking distances are not observed districtwide, and there is an unusual number of exceptions. Staff report that the existing walking distances are commonly altered due to board discretion and parental requests. Considering the predominantly extreme rural nature of the district and unsafe walking routes to school, the eligibility guidelines are overly restrictive. The district should update existing policy for nonmandated home-to-school transportation eligibility that reflects the current practice, taking into account unique characteristics and potential traffic hazards. The district might consider dual criteria for transportation eligibility, which can differentiate rural and suburban needs. The transportation staff should ensure that the eligibility policy is consistently applied districtwide.

It was reported by administrators in the Transportation Department that the district transports over 90% of its 18,416 students. However, this claim cannot be substantiated and is highly inflated according to the state TRAN report. In the TRAN, the district reported that 8,550 regular education students and 289 special education students were transported in the 2007-08 school year, and 9,303 regular education students and 318 special education students were transported in the 2008-09 school year.

If the district transported 90% of its students, then approximately 16,574 students would require daily transportation. The district operates 80 routes with 63 large buses and 17 smaller buses daily to meet ridership demands. All 17 buses would need to be filled to near capacity five times daily to and from school to correspond with this claim. Specific student ridership data was not provided for review. FCMAT observed student loading at dismissal for one school site where it was evident that a large majority of students are provided transportation. Some schools receive transportation service for most of their students because these students live in rural communities several miles away from their school of attendance.

A student transportation routing software program could plot the district's student population and allow staff to create transportation eligibility by school attendance area. This type of software would be extremely beneficial for identifying eligible student population and correlating eligibility with transportation services.

The state average for student ridership is 15%. Based on information available at the time of this review, it is projected that the district transports approximately 50-60% of the total student population. It is expected that the district would transport students at a higher rate than the state average due to the rural nature of the district and unique traffic hazards.

Recently, the district implemented Zonar Systems global positioning software (GPS). Zonar identifies average daily student load counts by school site and tracks daily mileage and operational data. Utilizing this system, the district will be able to more accurately report annual ridership information. The district should also consider implementing routing software to complement the daily operational data and student load counts provided by the Zonar system. This will allow the district to optimize route scheduling and provide accurate statistical data for reporting purposes.

FCMAT reviewed source data provided from the district's Special Education Department. According to this data, 233 special education students are provided transportation services in accordance with their individualized education program (IEP). The district also has some special education students that attend county regional programs and are transported by the county office of education.

In a letter dated February 5, 2010, the county office of education notified the district that the transportation service for county-operated programs will be discontinued in June 2011. The district should explore transportation options that may include contracting these services to an outside vendor, which is how the county office provides service to the district.

The transportation program uses 17 buses to transport special education students. The district's special education transportation school bus load factor is 13.7%, far above the typical averages experienced in similar reviews. There is conflicting information between the number of special education students with identified IEPs and the official state TRAN report for the two preceding years, which reports a substantially higher number. This suggests inaccurate reporting on the state TRAN report; therefore, the district should review the TRAN report and make corrections as necessary.

Requests to the transportation office to implement transportation support for special education students are conducted by e-mail. Generally, the request is received and processed timely. It was reported, however, that due to multiple responsibilities of the supervisor that handles special education routing, the request may be delayed. The district should include a special education transportation data form that is generated from the student's IEP that provides specific instructions. These instructions should include information such as student identification, emergency contact, delivery location points, special health care needs during transportation, behavioral issues and any other factors to ensure the most efficient and safe transportation of the child.

Special education school bus routing is the responsibility of one transportation supervisor. This is effective, well organized, and appears to result in high routing efficiency as identified by the district's high special education bus load count ratio of 13.7%. The supervisor assigned has competing responsibilities, which at times creates conflicts with the ability to respond timely to route changes for special education students when required. This supervisor drives a school bus when necessary and/or assists with safety and training responsibilities as a state certified school bus instructor. The district should review the recommendation to fill the school bus trainer position to ensure that special education transportation issues receive immediate attention.

Special education school bus routing is the responsibility of one transportation supervisor. This is effective, well organized, and appears to result in high routing efficiency as identified by the district's high special education bus load count ratio of 13.7%.

The home-to-school routing is performed primarily by the director of transportation, one dispatcher and the field trip technician. The routing is done by region, without the assistance of a comprehensive routing software program that allows all student information to be gathered from one data point. Having multiple employees performing manual routing is time consuming and is not the most efficient use of human resources.

The district should reassign the home-to-school routing under one supervisor, similar to the special education routing under the second supervisor. One dispatcher should be assigned to work with the transportation supervisor who handles the regular education routing, and the other dispatcher should aid the transportation supervisor who handles the special education routing.

Technology

The implementation of technology in the transportation program is evident although its usage has been sporadic. One example of this is the recent implementation of Zonar. The district has had this software application for three years but had no staff with the time and/or technical skills to implement the application. Under the guidance and direction of the assistant superintendent of business services, the district's central office budget specialist fully implemented this application.

Zonar is a sophisticated GPS system that can pinpoint and record vehicle stops, speeds, routes traveled, excessive idling, and pre- and post-trip electronic vehicle inspection and compliance information. The software can integrate with the transportation program's vehicle maintenance software, allowing the calculation of daily vehicle mileages and the paperless transmittal of defects noted by the driver during the daily pre-trip routine. This information can be transmitted electronically to the vehicle maintenance system for follow-up. The vehicle maintenance component is not being utilized to its fullest potential. The district should consider utilizing the inventory parts module to track parts and fluid purchases and to control inventory of stock items used in vehicle maintenance.

Routing software should allow staff to easily maximize routing efficiency and provide quick and easy savings projections with regard to decreased or increased levels of transportation service.

A fuel management system helps to manage fuel distribution for all district vehicles. District staff can access fuel by typing in a fleet identification number, vehicle identification number and the vehicle mileage information for ease in tracking and charging fuel consumption to the correct department. The system is not programmed to require a specific employee identification number, which would allow enhanced tracking and would identify which employee is accessing the fuel supply. The district should update the system to accommodate this information.

Staff manually create and manage 80 daily bus routes for a very large geographical area. It takes three employees to do this work without the aid of an electronic routing system. As a result, the staff has limited ability to ensure maximum efficiencies in routing. Additions and deletions due to student changes throughout the school year further complicate this situation. The district should explore routing software that would allow staff to alter routes with ease. Routing software should allow staff to easily maximize routing efficiency and provide quick and easy savings projections with regard to decreased or increased levels of transportation service.

The district has implemented a paperless electronic field trip scheduling system that allows school site personnel to requests trips electronically. The transportation field trip technician confirms the trip scheduling and provides a trip sheet to the driver.

Transportation staff members have varying levels of familiarity and comfort with the use of existing student transportation and vehicle maintenance software systems. Some staff members are comfortable with the technology, but others depend on other departments to operate systems on their behalf. While highly sophisticated and complex software systems require initial installation and system maintenance by district information systems staff or vendors, transportation staff members need to interact directly with the systems once they are implemented. The district should provide transportation personnel adequate training for the various software programs in place.

Vehicle Maintenance

The district operates a large vehicle maintenance program that is staffed appropriately, with an approximate 21.9:1 ratio of vehicles per mechanic. Staffing covers two full shifts of operation from 4 a.m. to 11:30 p.m. and employs one mechanic III, five mechanic II's, three mechanic I's, one parts person, two mechanic helpers, one utility person and one office technician. The total fleet size is more than 240 vehicles plus additional support types of equipment.

Generally, scheduled preventative maintenance service is performed at night when most district vehicles are not in service. The day shift performs some scheduled service, but predominantly fulfills repair needs. FCMAT randomly sampled district fleet records and found that the organization and record keeping process has improved following a recent CHP Motor Carrier vehicle inspection failure.

In August 2008, the district received an "Unsatisfactory" terminal grade rating by the CHP Motor Carrier due to a high number of overall deficiencies and/or irregularities identified in its vehicle maintenance program, vehicle records and driver records.

A second CHP Motor Carrier review in October 2008 resulted in another "Unsatisfactory" rating, citing insufficient drug/alcohol records. More than 30 drivers were not identified or enrolled in the district's DOT pre-employment, random substance and alcohol program. In addition, the inspection found no required annual summary of testing for 2007, and no records that could verify that department supervisors had received the DOT required training for reasonable suspicion testing.

As a result of two failed inspections, CHP Motor Carrier issued a "Conditional" rating in February 2009. While improvements were noted, two buses were placed out of service for defective tires, four buses exceeded the Title 13 school bus safety inspection requirement of 45 days or 3,000 miles, whichever occurs first, and nine drivers were not identified in the DMV pull notice system. The records had been ordered, but not received and placed on file.

In July 2009, a third CHP Motor Carrier inspection resulted in the district being upgraded from "Conditional" to a "Satisfactory" rating, which is the best rating the CHP issues.

The two consecutive failed terminal inspections indicate serious problems with the district's transportation program. This rating is very rare and should be of great concern. The deficiencies denoted specifically in vehicle maintenance records and driver records are the result of poor record keeping and the lack of specific employees overseeing or being held accountable for records maintenance in those areas. The district should institute a review process for terminal record keeping, the appropriate maintenance and filing of vehicle histories including electronic or paper record keeping of daily driver logs, vehicle repair orders, completed repair records, and DOT required pre-employment, substance and alcohol random testing requirements

The recent hiring of an office technician for vehicle maintenance has resulted in improved clerical management. Files reviewed are organized, with vehicle service records and repair orders in chronological order. In addition, invoices for parts used on each work order are filed together for easy identification. FCMAT also observed that the Title 13 requirement for school bus safety inspections is being met.

Although the mechanic III position supervises the vehicle maintenance staff, these employees report to the director of transportation. The director is unable to provide adequate oversight due to the size of the transportation program, number of employees in the department, and physical separation of the vehicle maintenance program from the transportation central office. Vehicle maintenance staff members need immediate feedback and direction, but the director may not be readily available.

The district recently created a new position in the parts division to provide a system of checks and balances. This position is responsible for ensuring the security of vehicle parts and the proper procurement of parts that meet desired specifications. FCMAT observed several notable improvements in organization of parts purchasing, inventory, and the tracking of parts utilized on specific work orders. The parts inventory area is organized and clean even though the facility is open to the elements of the weather.

The team viewed fleet vehicles identified by vehicle identification number, engine size, model year and commonly used parts for quick reference. It was also observed that the coordinated effort by the parts person who identifies the individual parts needed by repair order has improved this part of the operations considerably. Before the end of the shift, the parts person pulls identified parts from inventory or places orders for parts needed for the mechanic. At the end of the shift, the parts person stages pre-identified parts for the evening mechanic work orders. If items have not been identified or become needed after the parts person leaves, the mechanics can access the parts inventory. Without full securing and monitoring of the parts area after hours, shortages can occur in the inventory and/or unrecorded parts used on work orders if a mechanic fails to properly record the parts that were removed from inventory. The district should utilize a vehicle maintenance software parts inventory system for full accountability of parts and supplies.

A review of the vehicle maintenance area indicates that the work area is well organized and the hazardous waste best practices are in place in accordance with county and state regulations. The district has invested in facility improvements to ensure secondary containment of the fuel island area, waste oil and filters.

The vehicle maintenance program does have a software system in place; however, it is not integrated to the point of providing fleet cost tracking histories for analysis. Daily service and routine preventative maintenance orders are electronically generated to help ensure that the required 45-day or 3,000-mile safety checks (whichever occurs first) on school buses and scheduled services on district vehicles are performed.

The recent implementation of Zonar allows staff to query mileage reports to ensure timely performance of maintenance and inspections. The district has also invested in a automated fuel management system to help track the fuel usage of the large fleet. There are two 10,000-gallon above-ground diesel fuel tanks and one 5,000-gallon above-ground unleaded fuel tank. All three tanks are monitored through GasBoy, a fuel management system that requires employees to use a fleet PIN. This process is efficient and allows for appropriate cost center tracking for fuel usage to each district department.

The vehicle maintenance facility is inadequate for the size and scope of the district's fleet.

Fleet Maintenance Facility

FCMAT issued a transportation report for the district on October 2002, indicating that the transportation facilities did not meet district needs and were inadequate for the size and scope of the fleet. The report also noted that the district was experiencing growth of between 2 % and 5% annually. Since then, the district has made no improvements to the facility, but has grown by 24% or 4,400 students.

The transportation structure is antiquated and lacks repair bays with the depth to accommodate vehicle lifting or to fully enclose vehicles. In addition, the facility has an insufficient number of repair bays that are positioned to protect from the extreme weather conditions that can be experienced in the Coachella Valley.

The facility is generally in poor condition and well beyond reasonable maintenance.

The large fleet-parking area is unpaved, causing heavy dust during dry weather. It is difficult to delineate parking areas for the buses because of the lack of a hard surface.

In general, the vehicle maintenance area is not conducive for the optimal maintenance of such a large fleet. The district should make it a priority to prepare a plan to modernize the transportation facilities, providing a proper vehicle maintenance facility for its fleet.

Recommendations

Operational Costs

The district should:

1. Analyze the current year budget projections to ensure that projections are accurate.
2. Review the expenditure categories by major object code to determine the causes for increases and decreases year after year.
3. Discuss with the CSEA bargaining unit a fair and equitable contract arrangement that would include parameters for both drivers and management and would allow alterations annually as routing demands grow or decline.
4. Review contract language guarantees for a specified number of drivers versus the number of drivers needed to fill existing routes.
5. Review contract language that restricts the district with the assignment of extra duty work necessary to fill existing employee contract time.

Organizational Structure

The district should:

1. Immediately fill the vacant school bus trainer position to ensure thorough oversight of all required school bus driver training needs.
2. Divide routing demands, home-to-school regular education and special education, between the two transportation supervisors to ensure a more systematic and coordinated approach.
3. Consider staggering the work shifts of each of the two dispatchers and the field trip technician to assure daily coverage from opening at 4 a.m. to closing at 8 p.m.
4. Consider the increased efficiency that may be gained by assigning a dispatcher to each transportation supervisor to perform opening or closing dispatch duties and provide primary assistance with either home-to-school regular education routing or special education routing.
5. Immediately fill the vacant fleet services supervisor position to provide adequate leadership and supervision of the vehicle maintenance program.
6. Add two utility worker positions to the vehicle maintenance program with daily duties to include fueling, washing and repairing seats for the school bus fleet.

Driver Training

The district should:

1. Ensure that renewal and regularly scheduled in-service trainings are provided to drivers.

2. Secure and protect driver records in fireproof cabinets at all times due to the sensitive employment and personnel identification information of staff.

Routing Methodology

The district should:

1. Review the pupil transportation routing software options that are available for large-scale routing needs. Identified software for implementation should have a route optimization component and allow for easy alteration of the district's transportation eligibility criteria.
2. Review the eligibility policy for home-to-school transportation support and align it with the current practice, taking into account unique characteristics and potential traffic hazards.
3. Consistently apply student eligibility for service based on adopted board policy.
4. Review the state TRAN report for accuracy.
5. Integrate data collection from the recently implemented Zonar software to retrieve and record daily bus mileage and student load counts by school of service.
6. Implement routing software to complement the daily operational data and student load counts provided by the Zonar GPS system to optimize route scheduling and provide accurate statistical data for state reporting.
7. Create a special education transportation data form generated from the student's IEP that provides all the pertinent information regarding student needs.

Technology

The district should:

1. Complete full implementation of the vehicle maintenance software package with the Zonar GPS system to allow the calculation of daily vehicle mileages and paperless transmittal of driver defects denoted during the daily pre-trip function.

2. Complete full implementation of the vehicle maintenance component to track parts inventory, fluid purchases and general inventory control.
3. Update the fuel management system to include a unique employee identification number that would allow the tracking of fuel consumption.
4. Review possible pupil routing software packages for implementation to allow systematic routing of all students, route optimization and projections for budget planning.
5. Ensure that the appropriate staff members receive adequate training and support on existing software systems.

Vehicle Maintenance

The district should:

1. Institute a process to routinely review their terminal records for vehicle maintenance and driver training records as well as DOT pre-employment and random drug and substance testing procedures.
2. Review the vehicle maintenance software to ensure full implementation of its capability in vehicle cost analysis and tracking.
3. Initiate a facilities assessment of the transportation vehicle maintenance facility and develop a plan for modernization to meet current and future growth needs.

Appendix

A. Study Agreement

FCMAT
FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM
CSIS California School Information Services

FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM
STUDY AGREEMENT
December 4, 2009

The FISCAL CRISIS AND MANAGEMENT ASSISTANCE TEAM (FCMAT), hereinafter referred to as the Team, and the Coachella Valley Unified School District, hereinafter referred to as the District, mutually agree as follows:

1. BASIS OF AGREEMENT

The Team provides a variety of services to school districts and county offices of education upon request. The District has requested that the Team provide for the assignment of professionals to study specific aspects of the Coachella Valley Unified School District's transportation services. These professionals may include staff of the Team, County Offices of Education, the California State Department of Education, school districts, or private contractors. All work shall be performed in accordance with the terms and conditions of this Agreement.

2. SCOPE OF THE WORK

A. Scope and Objectives of the Study

The Coachella Valley Unified School District with at estimated enrollment of approximately 18,000 students currently provides transportation services for home to school transportation in a rural area of Riverside County covering 1,220 square miles and is requesting assistance in a comprehensive review of the district's transportation operations and services.

1) Conduct a review of the transportation budget utilizing two years of Audited Financial Statements to provide a comparative cost analysis with the 2009-10 fiscal year budget that will include the following components. The objective is to determine district trends for revenues and expenditures and make recommendations, if any

   a) Budget Planning and Development Process
   b) Budget amendment procedures
   c) Budget Assumptions for 2009-10
   d) Budget to Actuals comparison for two historical years
   e) 2009-10 Operating Budget
   f) Operating Revenues and Expenditures as a percent of the total budget

g) Operating Revenue
h) Revenue line item explanations
i) Operating Expenditures
j) Expenditure line item explanations
k) Sources and Uses of Funds
l) Debt Obligations
m) Operating Improvements
n) Capital Improvements
o) Capital Contingency Fund
p) Capital Asset Distribution
q) Interagency transfer of funds

2) Provide recommendations for appropriate staffing levels and organizational structure for the transportation department using comparative school districts. Comparisons should be made to school district departmental operations regarding productivity and efficiency models and shall include the following components:

a) Personnel Summary by District
b) Review Job Descriptions to conduct salary and benefit comparison vs. school district positions
c) Review customer service records or logs
d) Review support training by position

3) Review specifically the operations of transportation services which shall include the following:

- **Insurance; Contract Compliance**
  a. Provision
  b. Certificate of Insurance
  c. Public Liability Insurance
  d. Workers' Compensation Insurance
  e. Insurance Limits

- **Management**
  a. Compliance with Laws
  b. Care and Supervision
  c. Compensation and annual billing
  d. Contract and bidding process

- **Operations, Routing, and Scheduling**

  a. Demographic Data
  b. Vehicle Ownership Summary
  c. Average Weekly Ridership by Summary & District
  d. Routing Methodologies
  e. Number of routes
  f. On time performance and efficiency review
  g. Vehicle Maintenance and Inspection reports
  h. Loading and student counts
  i. School Bus Inventory
  j. School Bus Replacement Schedule
  k. Equipment Availability
  l. Field Trips
  m. Customer Service or complaint logs
  n. Ridership forecast summary
  o. Dispatch
     1. assigned buses per contract
     2. drivers possess appropriate licenses

- **School Bus Driver Requirements**
  a. Pre-employment Screening
  b. Credential and Related Requirements
  c. Drug Use Prevention
  d. In-Service Training
  e. Retraining
  f. Safety Programs
  g. Accident Reports

B. Services and Products to be Provided

1) Orientation Meeting - The Team will conduct an orientation session at the District to brief District management and supervisory personnel on the procedures of the Team and on the purpose and schedule of the study.

2) On-site Review - The Team will conduct an on-site review at the District office and at school sites if necessary.

3) Exit Meeting - The Team will hold an exit meeting at the conclusion of the on-site review to inform the District of significant findings and recommendations to that point.

4) Exit Letter - The Team will issue an exit letter approximately 10 days after the exit meeting detailing significant findings and recommendations to date and memorializing the topics discussed in the exit meeting.

5) Draft Reports - Sufficient copies of a preliminary draft report will be delivered to the District administration for review and comment.

6) Final Report - Sufficient copies of the final study report will be delivered to the District administration following completion of the review.

7) Follow-Up Support – Six months after the completion of the study, FCMAT will return to the District, if requested, to confirm the District's progress in implementing the recommendations included in the report, at no costs. Status of the recommendations will be documented to the District in a FCMAT Management Letter.

3. PROJECT PERSONNEL

The study team will be supervised by Anthony L. Bridges, Deputy Executive Officer, Fiscal Crisis and Management Assistance Team, Kern County Superintendent of Schools Office. The study team may also include:

A. Diane Branham, FCMAT Fiscal Intervention Specialist
C. FCMAT Consultant, Personnel Management
D. Tim Purvis, FCMAT Transportation Consultant
E. Mike Rea, FCMAT Transportation Consultant
G. Bud Bankston, FCMAT Transportation Consultant

Other equally qualified consultants will be substituted in the event one of the above noted individuals is unable to participate in the study.

4. PROJECT COSTS

The cost for studies requested pursuant to E.C. 42127.8(d) (1) shall be:

A. $500.00 per day for each Team Member while on site, conducting fieldwork at other locations, preparing and presenting reports, or participating in meetings.

B. All out-of-pocket expenses, including travel, meals, lodging, etc. The District will be billed for the daily rate and expenses of the independent consultant, only. Based on the elements noted in section 2 A, the total cost of the study is estimated at $22,000.00. The District will be invoiced at actual costs, with 50% of the estimated cost due following the completion of the on-site review and the remaining amount due upon acceptance of the final report by the District

C. Any change to the scope will affect the estimate of total cost referenced in item 4B and shall be mutually agreed upon. *The terms and conditions proposed by FCMAT may be accepted by the District within a thirty day period from the receipt of this agreement. All terms and conditions contained herein will become null and void should the District fail to execute this agreement within the specified time period.*

Payments for FCMAT services are payable to Kern County Superintendent of Schools-Administrative Agent.

5. RESPONSIBILITIES OF THE DISTRICT

A. The District will provide office and conference room space while on-site reviews are in progress.

B. The District will provide the following (if requested):

1) A map of the local area
2) Existing policies, regulations and prior reports addressing the study request
3) Current organizational charts
4) Current and four (4) prior years' audit reports
5) Any documents requested on a supplemental listing

C. The District Administration will review a preliminary draft copy of the study. Any comments regarding the accuracy of the data presented in the report or the practicability of the recommendations will be reviewed with the Team prior to completion of the final report.

Pursuant to EC 45125.1(c), representatives of FCMAT will have limited contact with District pupils. The District shall take appropriate steps to comply with EC 45125.1(c).

6. PROJECT SCHEDULE

Scheduling of the review will be confirmed following notice by the District to FCMAT o Governing Board approval.

The following schedule outlines the estimated completion dates for key study milestones:

Orientation:	**Estimated January 2010**
Staff Interviews:	to be determined
Exit Interviews:	to be determined
Preliminary Report Submitted:	to be determined
Final Report Submitted:	to be determined
Board Presentation:	to be determined
Six Month Follow-Up Review:	to be determined

7. CONTACT PERSON

Please print name of contact person: Jamie Brown, Assistant Superintendent

Telephone 760-399-5137 FAX

Internet Address: Jamie.brown@cvusd.us

Ricardo Z. Medina, Superintendent — Date
Coachella Valley Unified School District

Jan 13, 2010

Anthony L. Bridges, Deputy Executive Officer — December 4, 2009 — Date
Fiscal Crisis and Management Assistance Team

In keeping with the provisions of AB1200, the County Superintendent will be notified of this agreement between the District and FCMAT and will receive a copy of the final report.