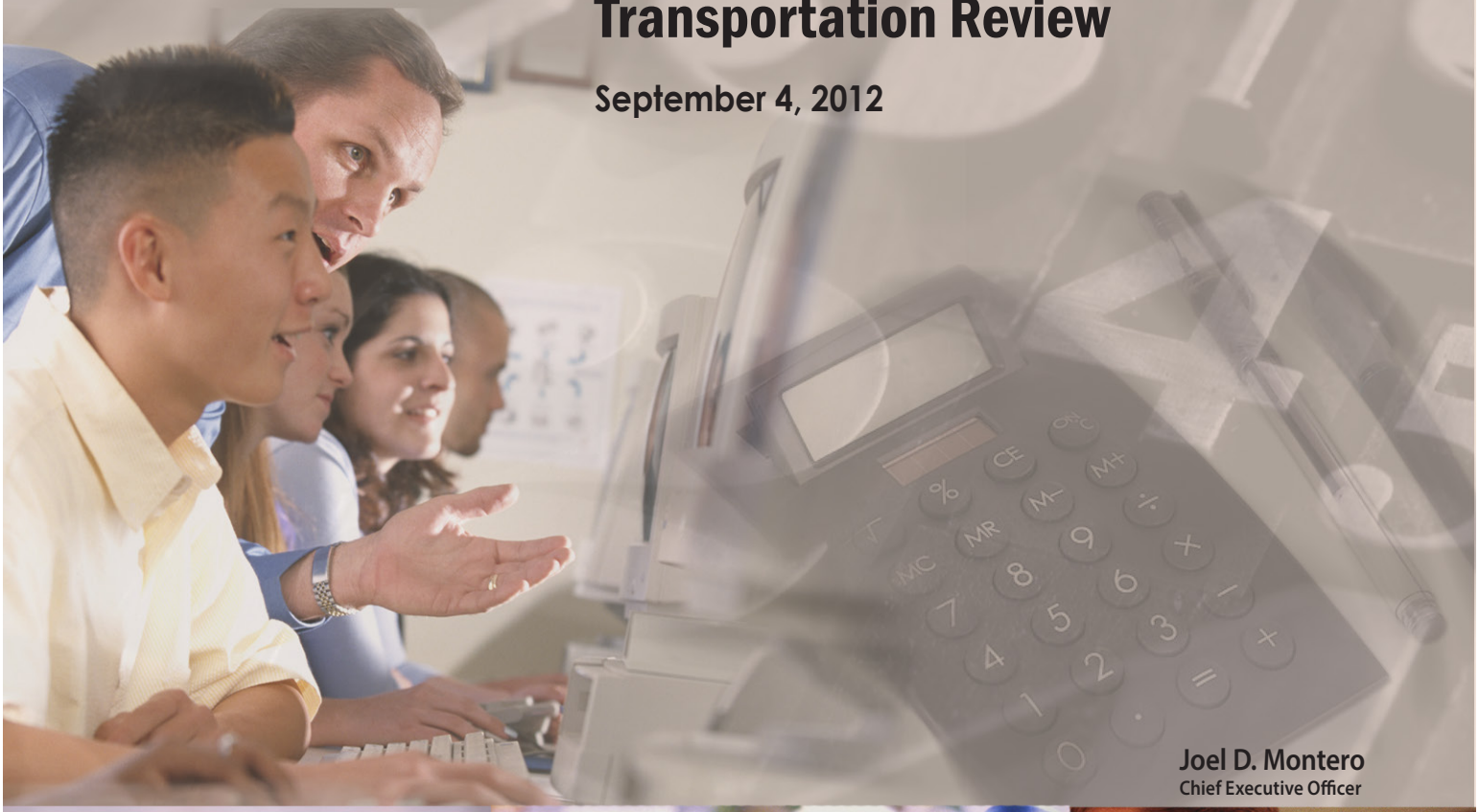
FCMAT
FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM
CSIS California School Information Services

Mt. Diablo Unified School District

Transportation Review

September 4, 2012



Joel D. Montero
Chief Executive Officer

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September 4, 2012
Steven Lawrence, Ph.D., Superintendent
Mt. Diablo Unified School District
1936 Carlotta Drive
Concord, CA 94519

Dear Superintendent Lawrence:

In April 2012, the Mt. Diablo Unified School District and the Fiscal Crisis and Management Assistance Team (FCMAT) entered into an agreement to provide a review of the district's special education and transportation programs. Specifically, the transportation portion of the agreement states that FCMAT will perform the following:

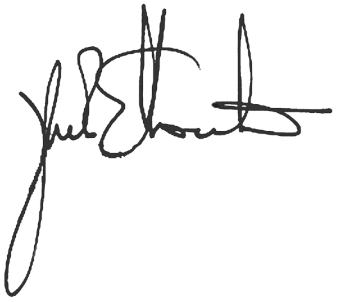
> Provide a comprehensive evaluation of the district's pupil transportation program to include both home-to-school and special education student transportation services, vehicle maintenance and safety and training practices. Specific areas to be reviewed include:
>
> 1. Analysis of the district's state transportation revenue and contributions (encroachment) from the unrestricted general fund for the transportation program for home-to-school and special education transportation.
> 2. Evaluate the Transportation Department's staffing and provide recommendations to improve the efficiency, if needed.
> 3. Review routing methodology and relative routing efficiency for both home-to-school and special education transportation services.
> 4. Review the district's scheduling of extracurricular field trips/athletic trips.
> 5. Provide an evaluation of the Transportation Department's operational efficiency and make recommendations for potential savings.
> 6. Review the department's driver training and safety, and compliance with driver training laws and regulations.
> 7. Review the department's compliance with all laws and regulations which shall include Vehicle Code, Education Code, CAC Title 5, 8 &13.
> 8. Evaluate the department's vehicle maintenance program, vehicle safety, compliance with vehicle maintenance laws and regulations. This component will also include a review of the bus and vehicle replacement schedule and provide recommendations.

9. Review the department's board policy, administrative regulations and purchasing procedures for parts and equipment.
10. Evaluate the department's transportation operations facility to include compliance with industrial waste and hazardous materials rules and storm water run-off regulations.
11. Review of the district's fuel storage facility and management systems.
12. Review use of technology within the transportation program in the areas of routing, scheduling of extracurricular/athletic trips, vehicle maintenance and other areas for efficiency.

This report contains the study team's findings and recommendations.

We appreciate the opportunity to serve you and extend our thanks to the district staff for their cooperation and assistance.

Sincerely,



Joel D. Montero
Chief Executive Officer

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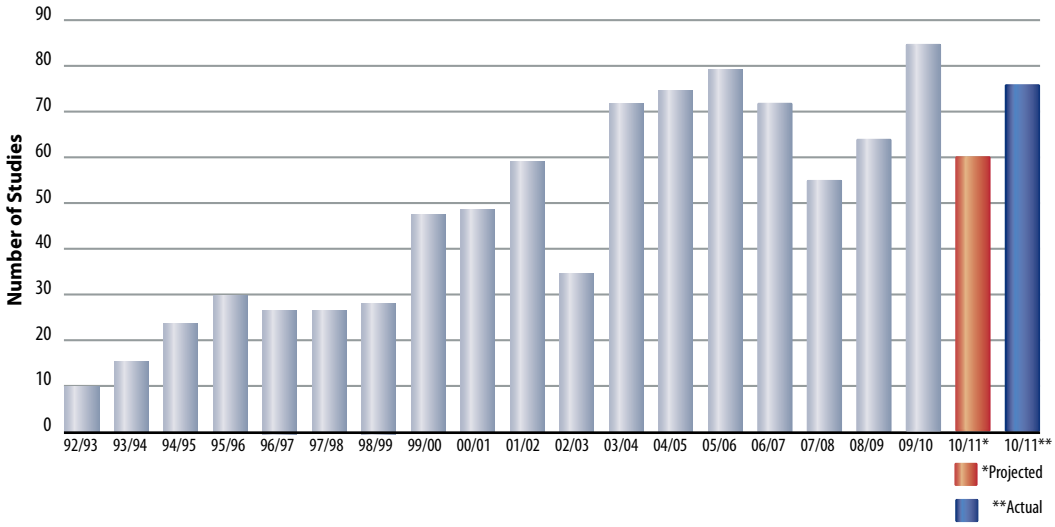
About FCMAT

FCMAT's primary mission is to assist California's local K-14 educational agencies to identify, prevent, and resolve financial and data management challenges. FCMAT provides fiscal and data management assistance, professional development training, product development and other related school business and data services. FCMAT's fiscal and management assistance services are used not just to help avert fiscal crisis, but to promote sound financial practices and efficient operations. FCMAT's data management services are used to help local educational agencies (LEAs) meet state reporting responsibilities, improve data quality, and share information.

FCMAT may be requested to provide fiscal crisis or management assistance by a school district, charter school, community college, county office of education, the state Superintendent of Public Instruction, or the Legislature.

When a request or assignment is received, FCMAT assembles a study team that works closely with the local education agency to define the scope of work, conduct on-site fieldwork and provide a written report with findings and recommendations to help resolve issues, overcome challenges and plan for the future.

Studies by Fiscal Year



FCMAT also develops and provides numerous publications, software tools, workshops and professional development opportunities to help local educational agencies operate more effectively and fulfill their fiscal oversight and data management responsibilities. The California School Information Services (CSIS) arm of FCMAT assists the California Department of Education with the implementation of the California Longitudinal Pupil Achievement Data System (CALPADS) and also maintains DataGate, the FCMAT/CSIS software LEAs use for CSIS services. FCMAT was created by Assembly Bill 1200 in 1992 to assist LEAs to meet and sustain their financial obligations. Assembly Bill 107 in 1997 charged FCMAT with responsibility for CSIS and its statewide data management work. Assembly Bill 1115 in 1999 codified CSIS' mission.

AB 1200 is also a statewide plan for county office of education and school districts to work together locally to improve fiscal procedures and accountability standards. Assembly Bill 2756 (2004) provides specific responsibilities to FCMAT with regard to districts that have received emergency state loans.

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 850 reviews for LEAs, including school districts, county offices of education, charter schools and community colleges. The Kern County Superintendent of Schools is the administrative agent for FCMAT. The team is led by 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.

Introduction

Background

The Mt. Diablo Unified School District is located in Contra Costa County and includes the communities of Walnut Creek, Concord, Pleasant Hill and Clayton. The district has an enrollment of approximately 33,000. Enrollment has been in decline for several years. Students attend six comprehensive high schools, 11 middle schools, 28 elementary schools and one charter school. Clayton Valley High School will convert to a charter school starting with the 2012-13 school year.

The district encompasses approximately 150 square miles and has 12 regular home-to-school bus routes. Seven of those routes transport students from Bay Point to Mt. Diablo High School or Delta View Elementary School. The remaining routes transport students from the attendance area of a school in Program Improvement who choose to attend another school in the district under the federal No Child Left Behind law. Some students are transported to other schools because the school in their area does not have adequate room for them in their grade level.

Seventy-nine bus routes serve special education students. At the beginning of the 2011-12 school year this service was expanded from 58 routes to include students that were previously transported by the Contra Costa County Office of Education.

On April 19, 2012, the district contracted with FCMAT to evaluate its Transportation Department. The study agreement specifies that FCMAT will perform the following:

Provide a comprehensive evaluation of the district's pupil transportation program to include both home-to-school and special education student transportation services, vehicle maintenance and safety and training practices. Specific areas to be reviewed include:

1. Analysis of the district's state transportation revenue and contributions (encroachment) from the unrestricted general fund for the transportation program for home to school and special education transportation.
2. Evaluate the Transportation Department's staffing and provide recommendations to improve the efficiency, if needed.
3. Review routing methodology and relative routing efficiency for both home to school and special education transportation services.
4. Review the district's scheduling of extracurricular field trips/athletic trips.
5. Provide an evaluation of the Transportation Department's operational efficiency and make recommendations for potential savings.
6. Review the department's driver training and safety, and compliance with driver training laws and regulations.
7. Review the department's compliance with all laws and regulations which shall include Vehicle Code, Education Code, CAC Title 5, 8 & 13.
8. Evaluate the department's vehicle maintenance program, vehicle safety, compliance with vehicle maintenance laws and regulations. This component will also include a review of the bus and vehicle replacement schedule and provide recommendations.

9. Review the department's board policy, administrative regulations and purchasing procedures for parts and equipment.
10. Evaluate the department's transportation operations facility to include compliance with industrial waste and hazardous materials rules and storm water runoff regulations.
11. Review the district's fuel storage facility and management systems.
12. Review use of technology within the transportation program in the areas of routing, scheduling of extracurricular/athletic trips, vehicle maintenance and other areas for efficiency.

Study Team

The study team was composed of the following members:

William P. Gillaspie, Ed. D.
FCMAT Deputy Administrative Officer
Sacramento, California

Eric D. Smith
FCMAT Consultant
Templeton, California

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

Michael Rea*
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West County Transportation Agency
Santa Rosa, California

Leonel Martínez
FCMAT Technical Writer
Bakersfield, California

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

Study Guidelines

The FCMAT study team visited the district on May 21, 22, 23, 2012 to conduct interviews, collect data and review documentation. This report is a result of these activities and is divided into the following sections:

- Executive Summary
- Transportation Finance and Purchasing
- Staffing
- Bus Routing and Scheduling
- Bus Driver Training and Safety
- Bus Maintenance and Vehicle Replacement
- Transportation Facility

Executive Summary

Transportation Finance and Purchasing

School transportation in California is underfunded, and the state has continually reviewed this source of funding to school districts for possible elimination. In January 2012, the governor introduced a number of budget proposals for Proposition 98 that were not adopted by the Legislature for the 2012-13 fiscal year. The major proposals, which were rejected, included the elimination of the home-to-school transportation program. Funding for K-12 schools is now tied to the decision California voters will make in November on the governor's tax initiative. Should the tax initiative fail, local educational agencies (LEAs) will face a budget reduction of approximately $457 per student (for an average district).

School district transportation apportionments are based on the cost they reported for the 1982-83 school year. In that year the revenue was capped at 80% of the reported operational costs. Currently, only 35% of the statewide cost is funded. Mt. Diablo Unified School District receives less funding for school transportation than the average school district. The district does not assign its costs appropriately to regular home-to-school transportation (HTS) and to severely disabled/orthopedically impaired transportation (SD/OI). Consequently, the state school transportation report (Form TRAN) is inaccurate. The district must be careful to spend at least as much as its approved apportionment in HTS, or risk losing some of the funding.

Field trips are charged at $6.50 per mile. This rate may not accurately reflect the cost for the department to provide the service. The district should create a rate with two components: the actual cost to operate the bus per mile and the average cost per hour of the driver.

The department had a parts controller position that was eliminated earlier in the year. Since that layoff, no one in the department has maintained the parts inventory, input work orders or invoiced for repairs to the maintenance and operations vehicles. These are essential department functions that must continue.

Purchasing practices need to be formalized and reasonable controls need to be established. Fuel usage is manually logged on a daily sheet, but it is not reconciled to the meter reading on the pump. The district may want to consider an electronic fuel monitoring system.

A new school transportation software system has been purchased and is being implemented. The district should provide adequate training and support for this transition. In the past, the district performed detailed reporting in areas such as fuel mileage, vehicle repair history, and costs, but this data is no longer collected.

The district collects fees for pupil transportation. A very high percentage of student riders qualify for free or reduced price bus passes. The district should consider whether it is cost effective to continue to charge fees for pupil transportation.

Staffing

The department is administered by the director of facilities, operations and energy conservation. On site is a transportation services coordinator who tends to the day-to-day operations. The district should consider creating a director of transportation position supported by an operations manager. Several years ago, the shop supervisor position was eliminated. That position should be reinstituted. One lead mechanic position could be eliminated. Three driver instructors bid for

a regular route but rarely drive it. They work as instructors eight hours a day, 12 months a year. These positions can be reformulated so they are only used when they are needed to instruct.

Bus aides are hired by the Special Education department, but charged to the Transportation Department. They should be hired, trained, supervised, evaluated and assigned by the Transportation Department, reporting to the transportation facility daily to ride on their route and assist with their assigned student or students.

Recently an effort was made for employees and supervisors to meet and discuss issues in an open forum. That effort should continue. The department lacks a handbook, and one should be developed. Regular staff meetings should be scheduled for key office staff members.

Bus Routing and Scheduling

Board policy determines the transportation service areas. The district should review and amend policies to reflect the actions the board has taken over the years to reduce service.

Some students are transported from the attendance area of a school that is in Program Improvement status to another school in the district under the federal No Child Left Behind Law. The district should consider limiting the students' school choices, or limiting the choices where transportation will be provided to assist with the logistics of providing this service. In addition, some schools have grade levels that are full. In these cases, the district allows students to select another school to attend and provides transportation to that school. The district should select the schools students will attend in this case or limit the transportation options. This will also reduce the logistical issues and cost of providing this service.

The district overidentifies students for special education transportation. The federal Individuals with Disabilities Education Act (IDEA) requires that students are placed in the least restrictive environment (LRE) and have an educational experience that most closely matches their nondisabled peers. Transportation service should only be provided when necessary for students to access their educational opportunities. In most districts throughout the state, approximately 10% of the special education population receives transportation services on average. In Mt. Diablo USD, approximately 26% receive transportation. The district should provide additional training for special education staff that lead IEP teams in the use of criteria to determine whether students require transportation, and develop group bus stops or stops at the neighborhood school to transport these students, if necessary.

Bell time coordination can achieve greater efficiency in school transportation. The district's schools should work with the Transportation Department to set bell times and coordinate scheduled bus routes to gain operational efficiencies. If approximately half the district's schools began at one time and the other half began approximately 45 minutes later, the Transportation Department could reap tremendous efficiency and cost savings Early dismissal day release times also should be coordinated.

Bus drivers write their directions for the routes. The computerized routing program can accomplish this task once the current routes and street maps have been uploaded into the software database.

Bus Driver Training and Safety

The district appears to follow all laws and regulations relative to school bus driver training and record documentation. However, driver training files are not locked when not attended.

State law requires that a Transportation Safety Plan is established, and a copy placed at each school. The district's plan was written many years ago. It should be reviewed, updated and distributed.

Most field trips are accomplished on the district's buses, but some trips are contracted through chartered services. The department should ensure that the charter bus and driver are properly certified before those trips leave the school site. If the district hires charter buses for field trips, the buses and drivers must comply with Vehicle Code 546, which requires buses and drivers to be SPAB (school pupil activity bus) certified. Otherwise, the district would be exposed to liability. Best practice is for the district to have a knowledgeable employee inspect the bus and driver's SPAB certification.

Some district students are legally transported in non-school bus vehicles. Those drivers receive training in defensive driving and are enrolled in the Department of Motor Vehicles (DMV) Pull Notice Program. The Transportation Department receives regular copies of their driving record histories and is notified whenever there is an accident or violation. These are good practices. The district should also consider whether these employees should be enrolled in a drug and alcohol testing program similar to the bus drivers.

Bus Maintenance and Vehicle Replacement

The California Highway Patrol (CHP) annually inspects every school bus, department maintenance records, driver records and drug and alcohol testing records. The district has consistently received CHP's highest grade, which is "satisfactory," although recent findings indicate some lax practices relative to regular school bus preventive maintenance and adherence to laws and regulations. Not all buses are inspected by the Transportation Department at the legally required intervals. All drug and alcohol testing program requirements are overseen by the Transportation Department. This program should be administered by the human resources department with assistance by Transportation.

Maintenance and operations, grounds, food service and warehouse vehicles (white fleet) are not inspected or maintained on a regular schedule.

Buses are old based on the school bus inventory reviewed by the FCMAT study team. The district should develop a comprehensive vehicle needs assessment and replacement plan. The fleet list is not updated, so the district may be insuring vehicles it no longer owns.

The shop is equipped well but does not have the newest diagnostic equipment for its compressed natural gas buses. The district should invest in this equipment.

The district's school buses represent the district both locally and when they are on field trips throughout the Bay Area. Many buses are not washed regularly, which may provide a negative district image.

Transportation Facility

The facility is adequately sized for this large operation. The shop and offices are relatively modern and meet department needs. However, the driver training classroom is an old trailer that appears to be infested with mold. The classroom should be removed and replaced.

Findings and Recommendations

Transportation Finance and Purchasing

School transportation in California was fully funded until 1977. School districts reported their operational costs, and in the subsequent year the state would fully reimburse the costs. Between 1977 and the 1982-83 school years, California reduced the percentage of reimbursement. In the 1982-83 school year the state capped each school district's revenue at 80% of the reported costs. Since then the state has occasionally granted a cost of living adjustment (COLA), but not enough to keep pace with increasing costs.

Mt. Diablo Unified School District has approved annual apportionments of $1,392,370 for home to school transportation and $1,426,090 for severely disabled/orthopedically impaired transportation (SD/OI). In the 2009-10 fiscal year, funding was deficited by 19.84%; in 2010-11 it was deficited by 19.81%, and in 2011-12 it was reduced by 19.8352% from the 2008-09 funding levels. Statewide, school transportation funding now covers approximately 35% of total costs.

During the 2011-12 fiscal year, the state adopted a budget based on approximately $4 billion of anticipated revenue. By December 2011, if it appeared that the revenue would not meet expectations, the state would initiate "trigger" cuts, one of which was a $248 million cut to school transportation funding. This would be a 50% reduction of the overall revenue for this funding source. The state did make that cut, but legislative activity quickly reversed and reformulated it as an approximate $42 per average daily attendance (ADA) cut to all school districts. This change was accomplished through Senate Bill (SB) 81 which was emergency legislation and immediately became effective when signed by the governor in February 2012.

While SB 81 was being deliberated, the governor announced his budget proposal for the 2012-13 fiscal year, which called for the elimination of school transportation funding. This was based on the rationale that the 2011-12 trigger cut eliminated the funding and that elimination was just being carried forward. After the passage of SB 81, that rationale no longer was valid, and the Department of Finance indicated that school transportation would be funded in 2012-13.

The governor's May Revise indicated that school transportation would be funded as an add-on to the revenue limit but would be flexible rather than a separate restricted categorical program. However, the 2012-13 state budget, signed by the governor on June 27, 2012, continues to fund transportation as a restricted categorical program.

Mt. Diablo Unified has an apportionment of $1,116,191 for home-to-school and $1,143,222 for SD/OI for the 2011-12 fiscal year. Approved costs are not yet available for 2011-12. The 2010-11 revenue was $1,119,620 for home-to-school and $1,146,735 for SD/OI. The approved transportation costs for 2010-11 were $1,688,174 for home-to-school and $7,122,107 for SD/OI. The overall district unrestricted general fund contribution for school transportation for 2010-11 was $6,543,926. This is approximately 74% of the overall cost. On average for the 2010-11 school year, California paid 35% and districts paid approximately 65% of student transportation costs from their unrestricted general funds. Mt. Diablo USD receives less revenue than the average school district.

School districts report their transportation costs on the Annual Report of Pupil Transportation (Form TRAN). Below is a summary those costs from the two most recent years:

TRAN Data

	2009-10 HTS	2009-10 SD/OI	2010-11 HTS	2010-11 SD/OI
# Routes	21	58	16	58
# Pupils	1,523	978	1,234	1,031
# Miles	543,090	806,466	413,782	1,091,522
Approved Cost	$3,306,807.00	$4,343,512.00	$1,688,174.00	$7,122,107.00
Cost per Mile	$5.35	$4.34	$4.08	$4.31
Cost per Pupil	$1,907.90	$3,576.50	$1,368.05	$4,564.17
Revenue	$1,116,101.00	$1,143,130.00	$1,119,620.00	$1,146,735.00
District Contribution	**$2,190,706.00**	**$3,200,328.00**	**$568,554.00**	**$5,975,372.00**

The TRAN report shows that the district's home-to-school route service has declined along with its cost. Routes have decreased from 21 in 2009-10, to 16 in 2010-11, to 12 routes currently. The district's approved apportionment for home-to-school is $1,392,370. The district must spend at least this amount to protect its state apportionment, even though it does not currently receive this amount (Education Code (EC) 41851(c)).

The reported number of SD/OI routes for both 2009-10 and 2010-11 was 58. However, the number of miles has increased and the approved cost has increased nearly $3 million.

In the 2010-11 school year, the district was preparing to take responsibility for the transportation of special education students who attended programs outside the district and were being transported by the Contra Costa County Office of Education. In preparation, the district purchased 19 school buses. The district reported $1,426,269.40 was expended in the 2010-11 fiscal year to purchase those buses, paying cash rather than financing them over a reasonable period of time.

The district pays three contractors to transport approximately 154 students, and pays parents to transport approximately 155 students. The budgeted cost for the private contractors for the 2011-12 fiscal year is $19,800 for VeCare Services, LLC, $416,220 for AA Medtrans-Grove LLC, and $1,345,158 for Pawar Transportation LLC. This is an average cost of $11,566 per student for 154 students. In the 2010-11 fiscal year the district reported this cost on the TRAN as $990,176, including the cost for paying parents to transport their own children. The cost per round trip under one of the contacts (AA Medtrans-Grove LLC) was $150. This is a cost of $27,000 per student for a 180-day school year. The other contractor's cost was at least $120 per day for a wheelchair student, or $21,600 per year. The lowest cost from this second contractor (Pawar Transportation LLC) was for an ambulatory special education student in a bus shared with other pupils. That cost was $40 per day, or $7,200 per year. VeCare's cost to transport one student was $110 per day. These costs are significantly higher than the district's TRAN reported cost per pupil. Some of these students may be able to be integrated into existing district routes. To evaluate the accommodation of all these students on district buses, the district may need to consider purchasing additional buses, hiring more drivers, and hiring and training bus aides on student's specific medical needs. Many school districts that FCMAT evaluates provide this service on their own buses. The cost per pupil for paying parents in lieu of district transportation is, in most cases, less than the cost to transport a student on a district bus. However, the district's cost per pupil might be lower if the district were able to integrate some of these students onto existing routes.

In 2010-11, the district began transporting some of its students who had been transported by the county office of education. The number of students and additional routes were not included in the TRAN report for that fiscal year. In 2011-12, the district began transporting all these

students. At its November 17, 2010 meeting, the district's governing board took action to end participation in the contract with the county office, to purchase 19 new special education buses, hire 19 school bus drivers and seven transportation aides. The plan included lease-purchasing the buses over seven years at an approximate annual cost of $209,992, and an assumption that the district would receive at least 80% of the revenue attributed to it on the county office formula that assigned revenue and cost to each participating district. That expectation was $400,000 per year, with the understanding the funding would not come in the 2011-12 school year, the first year of district operation, because state school transportation funding is provided as a reimbursement in the following fiscal year.

However, district staff never received a written agreement that the county office would transfer any funding to Mt. Diablo USD. In fact, the district received a letter dated February 3, 2009 from Ellen Elster, deputy superintendent of Contra Costa COE, stating that if it withdrew from the consortium, it would lose the funding that was credited to it in the formula. In a subsequent letter, Joseph Ovick, Contra Costa COE superintendent, reiterated that if the district withdrew from the consortium, no funding would be transferred to it.

Education Code Section 41851.7 directs districts and county offices of education to report the transfer of school transportation funding related to the transfer of school transportation service. The superintendent of public instruction has developed Form J-141-T to report the transfer of funds between entities. Once the form is completed, the code further directs the superintendent of public instruction to reduce the allowance of the entity transferring the service in proportion to the costs reported, and, if appropriate, increase or establish the allowance of the entity assuming the transferred service by that amount. The form requires signatures from both entities and assumes that both parties have amicably negotiated the transfer. There is no legal requirement, however, for districts and county offices to transfer funding. Unlike special education program funding, transportation funding is not based on the students transported; rather, it is based on costs reported in the 1982-83 school year. Prior to this withdrawal, it would have been beneficial for the parties to discuss the transition, develop policies to handle it, and reach written agreement on the amount of funding that would be transferred.

At the beginning of the 2011-12 school year, the district had approximately 83 additional students who required special education transportation. These additional students were absorbed into the system with two additional bus routes being added to accommodate the growth, in addition to the 19 planned additional routes.

The district does not separate costs between Resource 7230 (home-to-school) and 7240 (SD/OI). Costs should be appropriately coded, using the required state Standardized Account Code Structure (SACS), to each resource so the data on Form TRAN can be reconciled and correctly reported. Education Code Section 41850(d)(1) defines orthopedically impaired students as those who require a bus with a wheelchair lift. Severely disabled students are those defined in Education Code Section 56030.5. Transportation costs for SD/OI students should be coded to Resource 7240. Some students with IEPs who require specialized transportation may not fit the above definitions. Those non-severe and non-orthopedically impaired students should be classified as home-to-school, and their costs should also be coded to Resource 7230 as with the regular education students the district transports. Most of the district's transportation costs are charged to Resource 7230, and then account transfers or journal entries occur at the end of each fiscal year to better distribute costs. In addition, some significant transportation costs are assigned through and controlled by the Special Education department. All Resource 7230 and 7240 costs should be under the control of the Transportation Department.

NCLB

Some students are transported from the attendance area of a school that is in Program Improvement status to another district school that is not in Program Improvement under the federal No Child Left Behind Law (NCLB). Parts of six home-to-school bus routes and three special education routes transport these students.

Field Trips

As noted above, field trips and athletic trips are charged to district users at a rate of $6.50 per mile. The department has created a list of rates for common destinations based on the mileage. Generally those standard rates are charged for athletic trips. There also is a list of standardized mileages for many other trip destinations. This allows principals, teachers and coaches to predict their costs and budget for them. In the 2010-11 school year, the district performed 2,917 field and athletic trips. The most recent TRAN cost per mile for home-to-school on the 2010-11 report was $4.08 per mile. A field trip rate composed of a cost per mile that reflects the actual cost to operate the bus (fuel and a reasonable portion of maintenance costs) and a cost per hour that reflects the full employee cost (including benefits) would be more accurate. It should be a blended rate that takes into account that many drivers will take the trips. Some employees may be more senior than others and some may go into overtime to take the trip. This type of rate will more accurately charge the cost of the trip, but will be less predictable for teachers and coaches.

Parts Inventory, Purchasing and Work Orders

A parts controller who maintained the vehicle parts inventory and input repair work orders into the computerized vehicle maintenance system was laid off at the beginning of the 2011-12 fiscal year. The parts controller also input work orders for repairs to the district maintenance and operations, food service and warehouse vehicles (white fleet). Those expenses for parts and labor were then invoiced to the appropriate department. Since the elimination of that position, no work orders are being entered into the system and all repair costs for white fleet vehicles are being absorbed by the transportation budget. White fleet or nonschool bus vehicle work orders are not to be reported as home-to-school or SD/OI costs on Form TRAN; therefore, costs must be calculated and invoiced or transferred to each department.

Parts and supplies purchasing practices are in need of reasonable controls to provide for a proper internal control structure that includes the protection of district assets. Since the layoff of the parts controller, the lead mechanics purchase parts. The extensive parts inventory is not documented and not often utilized. Most parts are purchased as needed rather than determining if the part already exists in inventory. When a mechanic repairs a vehicle, he completes a paper work order that includes a list of parts, supplies, outside repairs and labor that was necessary to complete the repair. At Mt. Diablo USD, the mechanics generally report their labor hours and list the part utilized, but the cost of the part is not included. The purchase of a part cannot be reconciled to a specific vehicle repair. Mechanics do not note the bus or vehicle number on the parts invoice tag. There is no way to know if a part is purchased for a bus, white fleet vehicle or for an individual's personal vehicle. The data system should be maintained so staff can research parts use, movement or stock levels. Parts that are purchased are coded by the department secretary to Resource 7230, regardless of the service or department the part is for, signed by the coordinator and sent to the district office for payment. Adequate procedures are needed to prevent inappropriate acquisition or use of district property.

Fuel

Buses are fueled by a single employee, but Maintenance and Operations vehicles are fueled by the driver. There is no electronic fuel management system. Fuel that is pumped into vehicles is recorded on a daily log sheet. The sheets are submitted to the department account clerk who codes the fuel usage and invoices the appropriate department. The fuel logs have spaces to enter the fleet identification number of the vehicle, the mileage and the gallons dispensed. The secretary also logs the mileage into a software program that can be used to track the current mileage so buses do not exceed their mandated maintenance and inspection intervals. The lead mechanics do not utilize this data, creating a risk that required maintenance intervals will be exceeded. In addition, the fuel logs have a place to record the beginning and ending meter readings on the pump. Those meter readings are not logged on the sheet. The account clerk should compare the meter readings to the total gallons pumped on the sheet each day. Any discrepancy would indicate that fuel was dispensed into a vehicle and was not recorded, inaccurately logged, or was stolen. The fuel pumps are not locked during the day, presenting a security control.

Fuel is purchased primarily from one distributor, Hunt & Sons, Inc. The district has a 2,000-gallon gasoline tank, a 10,000-gallon diesel tank, and a compressed natural gas (CNG) fueling station on its property. A third-party firm, Pinnacle CNG Company, constructed, owns, operates, and maintains the CNG station. This facility is also open for public use 24 hours a day, seven days a week and is located in a street-side parking lot that is not inside the transportation facility gate.

Diesel fuel is exempt from federal excise tax, and school districts are exempt from paying 12 cents of the 13-cents-per-gallon state excise tax for diesel fuel that is used in the operations of transporting pupils to/from school and student activity transportation (Revenue and Taxation Code Section 60039(5)). Gasoline is exempt from federal excise tax, but not state excise tax. The district receives the proper tax exemptions from Hunt & Sons, Inc.

The most current invoice from Pinnacle indicates a rate of approximately $1.47 per therm, which is less expensive than CNG purchased at Pacific Gas and Electric Company (PG&E) stations. The most recent price from PG&E was $1.72 per therm, and the PG&E site is used when the Pinnacle site is not operating. Compressed natural gas is a clean-burning, abundant fuel that has had a stable, low price for more than a year. It is significantly less expensive than oil-based fuels. The district operates a number of large, coach-type buses that are powered by compressed natural gas. The district should continue to operate these vehicles instead of the diesel-powered coaches as much as possible. The mileage and fuel data for the CNG buses can be entered only when the invoice comes from the vendor; however, the department could develop a paper log for drivers to record fuel daily similarly to conventional fueling.

Technology and Data

The Transportation Department has been in the process of transitioning from a software program called School Transportation Management System (STMS), provided by a vendor named Trapeze. In the early 1990s, the California Energy Commission gave an STMS component to all school districts in California so they could track data for buses that the agency awarded to many school districts. The developer of that software was a firm named Bispac. The vehicle maintenance component was intended to collect cost and operating data. In recent years, Bispac sold the business to Trapeze, a larger software developer with a primary presence in public transit; however, Trapeze is slowly phasing out support for STMS.

The Mt. Diablo Unified School District's Transportation Department has operated STMS for a number of years, entering data for fuel usage, mileage, parts inventory, and work orders as well as generating basic cost reports.

The department is in the process of transitioning from STMS to Versatrans, a component of Tyler Technologies. Versatrans is a routing and scheduling program, but also has a vehicle maintenance component and a field trip component. The department utilizes the routing component for special education transportation, but uses no other elements of the software.

The parts inventory has not been maintained, and work orders have not been entered into the system for the past year. It will take a great deal of clerical time to perform a physical inventory of current vehicle parts inventory and enter this information into the new system.

As with any new software conversion, it is usually important to run both programs in parallel until it is determined that the new program is operating correctly. It is also critically important to provide adequate and ongoing training for the staff. A dispatcher plans to retire, and as the department fills that position, it will need to invest in professional training on the software program for this individual and any others that need training.

Over the past few years, the senior typist clerk has created a useful summary of department data entitled "transportation totals," but it does not appear that this information is being compiled for the 2011-12 fiscal year. This is useful information, and some is necessary as source data for the TRAN report. Transportation totals includes the following information:

- Total mileage and ridership in special education and regular education, including students that are not classified as severely handicapped or occupationally impaired (SH/OI) (although the TRAN report does not list those students)
- Field trips sorted by type including the mileage
- The amount invoiced for NCLB students, the number of students, and schools they attended
- Parent pay data
- Overflow students transported to a school other than their home school of attendance
- The number of parent reimbursement contracts for parents that transport their children in lieu of receiving bus transportation
- Transportation contracts with nonpublic schools (NPS)
- The average length of special education student's ride times.

There was also a spreadsheet of comparative data from year to year. This data should continue to be collected.

Fees for Transportation

The district collects fees for home-to-school pupil transportation. In 1992, the California Supreme Court ruled that charging fees for home-to-school transportation was legal. Education Code Section 39807.5 provides the legal restrictions. The maximum allowable rates are recalculated annually and posted in a letter generated from the California Department of Education's (CDE's) School Fiscal Services Division. The maximum allowable rate stipulated in CDE's letter dated March 16, 2012 is $4.41 for the cost per passenger trip, or $8.82 for the daily round-trip cost. Special education students whose IEP provides for transportation services are exempt from the fees as are pupils whose parents or guardians are "indigent", which is generally determined by

utilizing the same criteria as students who qualify for free or reduced price lunches. The district charges $600 for the annual pass, which falls within the guidelines, but is one of the highest amounts that FCMAT has reviewed. District data from the 2010-11 school year indicated that the district has 720 regular home-to-school bus riders, with 151 paid riders and 569 free riders. The district collected $55,657.80 in revenue for bus passes. A clerk processed the passes, but the person in that position was laid off, and the senior account clerk and senior typist clerk work together to absorb those duties. With such a high percentage of free riders it is generally not worth collecting the fees because the expense of collecting them usually outweighs the revenue.

Recommendations

The district should:

1. Appropriately separate and report costs to Resource 7230 and 7240.
2. Evaluate the costs and challenges of transporting the contracted and parent-driven students on district buses.
3. Immediately negotiate with the county office to determine if any SD/OI funding can be transferred to the district.
4. Consider reformulating the rate charged for field trips.
5. Resurrect the inventory data, work order input and associated reports.
6. Invoice work orders for white fleet vehicles to appropriate departments.
7. Include parts cost on work orders.
8. Improve purchasing process and controls.
9. Consider purchasing and implementing an electronic fuel monitoring system.
10. Reconcile daily fuel usage to the pump's meter reading.
11. Consider developing a paper log for drivers to record CNG fuel daily.
12. Provide adequate training and support for the department's new software system.
13. Continue the data collection and annual reporting.
14. Determine whether fees for pupil transportation generate enough revenue to support their administration.
15. Ensure the fuel pumps are locked and secured at night.

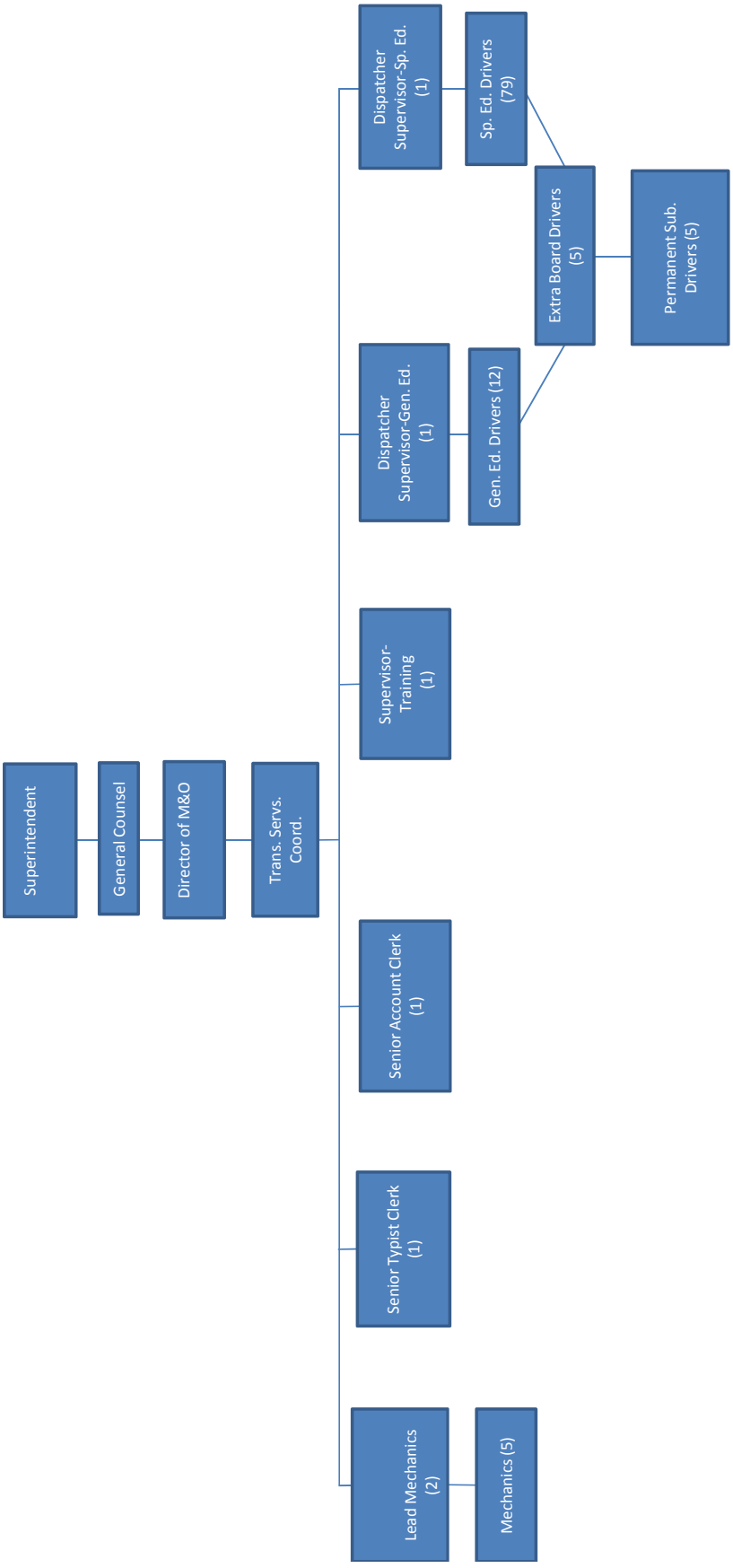
Staffing

The Transportation Department is administered by a director of facilities, operations and energy conservation. On site is a transportation services coordinator, who is the primary manager of the school transportation program. The district operates a rather large school transportation operation, and it is not common for such an organization to have a maintenance and operations director that oversees transportation. In addition, the director of facilities, operations and energy conservation spends very little time overseeing transportation. The transportation services coordinator generally reports to the in-house district counsel, a cabinet-level administrator who oversees the Transportation, Maintenance and Operations, and Food Service departments. In most school transportation operations of this size, the department would be administered by a director-level position.

In addition to the coordinator, the department has three supervisor positions that are coordinated with other responsibilities. One is a driver instructor/dispatcher supervisor, and two are dispatcher/supervisors. Three additional driver instructors bid on routes, but rarely drive them when substitutes are available. In essence, they work eight hours per day, 12 months per year. During the typical school vacation periods, these instructors continue to work full time, and although this has been a practice in the district, no contract language seems to support it. This is an excessive number of full-time driver instructors for an operation of this size. It would be more efficient for the supervising driver instructor to be the primary individual performing these duties. Other necessary training can be accomplished by using state-certified school bus driver instructors on an as-needed basis.

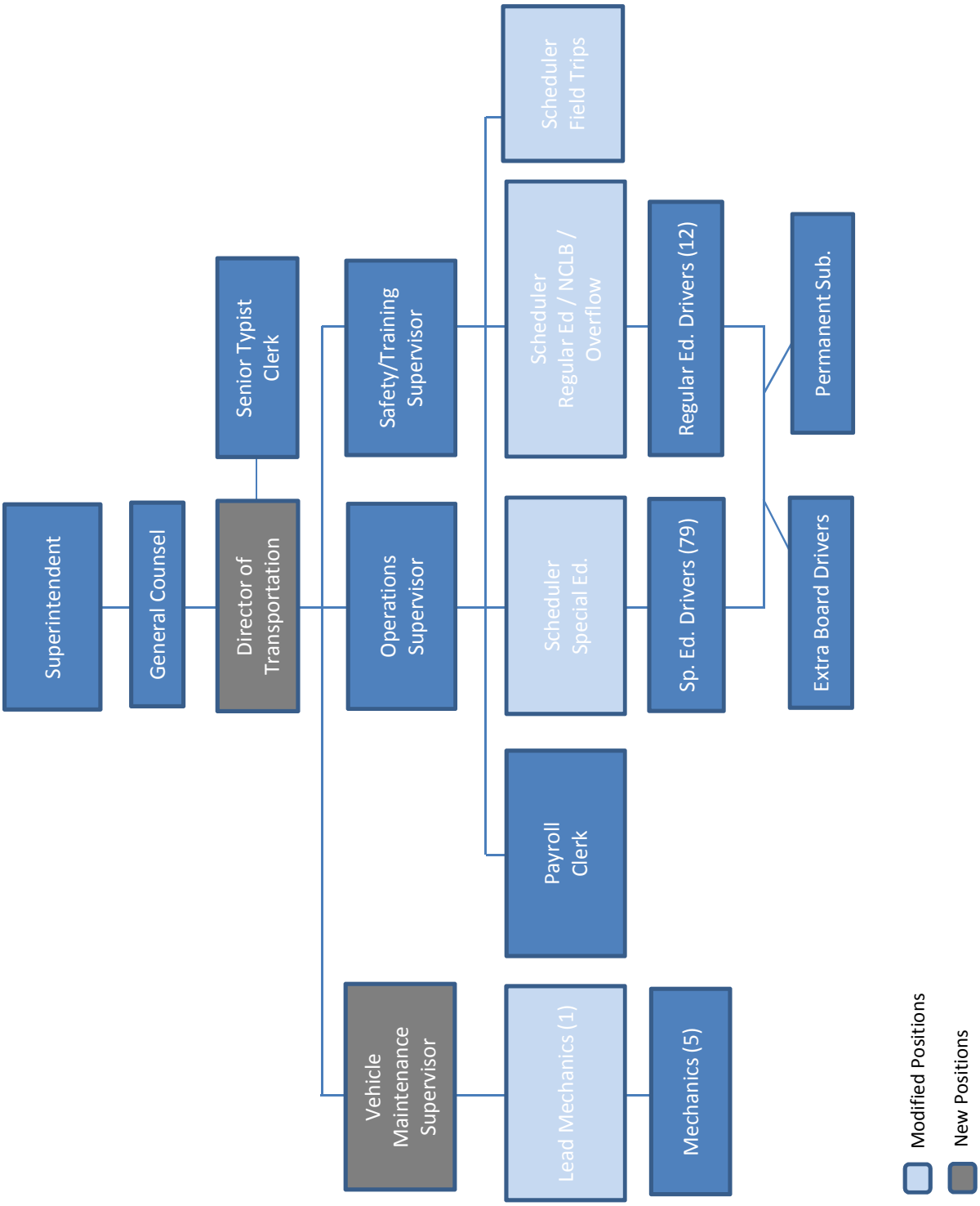
Several years ago, the district eliminated the shop supervisor position and currently has two shift lead mechanics and five vehicle mechanics. Two mechanics work on one shift and three work on the other shift. An operation of this size should have a shop supervisor position to order parts and along with the lead mechanic ensure that work order data is entered daily.

On the following page is the district's current staffing model.


Superintendent
General Counsel
Director of M&O
Trans. Servs. Coord.
Supervisor-Training (1)
Dispatcher Supervisor-Gen. Ed. (1)
Gen. Ed. Drivers (12)
Dispatcher Supervisor-Sp. Ed. (1)
Sp. Ed. Drivers (79)
Extra Board Drivers (5)
Permanent Sub. Drivers (5)
Senior Account Clerk (1)
Senior Typist Clerk (1)
Lead Mechanics (2)
Mechanics (5)

It is important to note several elements in the department's organization and staffing. Three other driver instructors are listed as providing training under the supervisor of training; however, they are designated on the chart as drivers and are paid at a driver instructor rate.

The three supervisors direct the work of employees, but they do not discipline and have not evaluated those employees. The lead mechanics are in the classified bargaining unit, and therefore not supervisors. Most employees have not been evaluated in a number of years. Below is the organizational chart recommended by FCMAT:



As shown in the proposed organization chart, FCMAT recommends that the district create the positions of director of transportation, vehicle maintenance supervisor, and field trip scheduler. This model also includes only one lead mechanic, eliminating one of the lead positions. The vehicle maintenance supervisor would lead one shift, and the lead mechanic would be responsible for the other shift. Both the vehicle maintenance supervisor and the lead will maintain the parts inventory and work order processing. The safety and training supervisor would no longer dispatch on a regular basis, but would work out in the field, performing duties such as behind-the-wheel driver training, completing safety ride checks with drivers as they drive routes (evaluations), observing student loading and unloading at schools, providing classroom and in-service driver training, as well as maintaining driver records.

Added and Deleted Positions

Added	Deleted
Director of Transportation (1 FTE)	Lead Mechanic (1 FTE)
Operations Supervisor (1FTE)	Transportation Coordinator (1 FTE)
Scheduler-Special Ed. (1 FTE)	Dispatcher-Coordinator Special Ed. (1 FTE)
Scheduler-Regular Ed. (1 FTE)	Dispatcher-Supervisor Regular Ed. (1 FTE)
Scheduler-Field Trips (1FTE)	Driver Instructors (approximately 3 FTE)
Vehicle Maintenance Supervisor (1 FTE)	

The three driver instructors would continue bidding a route, but they would not be guaranteed eight hours per day. These personnel should be used as driver instructors only when necessary as an extra work assignment. The supervisor-dispatcher positions would be reconfigured as scheduler-dispatchers and not retain the supervision responsibility. Added to the dispatch office will be the support of the third scheduler for field trips. Supervision would be accomplished by the operations supervisor, safety and training supervisor, vehicle maintenance supervisor and the director of transportation, dividing the staff for evaluations. The net effect of this reorganization would be the addition of three positions and the deletion of four others, an overall reduction of one position.

Aides who assist students on buses are assigned by the Special Education Department but are charged to the Transportation Department. Fewer than five aides ride on school buses, but the exact number was unclear. Bus aides should report to the Transportation Department, which should hire, train and evaluate them. The reasons for assigning a bus aide should be clearly stated on a transportation request, so the department knows the specific student requirements.

Employees indicated that in recent months, tension has developed in the department. Meetings were conducted, a survey administered, and an outside facilitator hired to evaluate and mitigate some of these issues. This tension was not evident at the time of FCMAT's visit; however, bus drivers and other staff reported that meetings were recently attempted between the supervisory staff and department employees. Every attempt should be made to continue this process.

Transportation rarely holds staff meetings where key department staff can discuss issues and plan. These meetings are an effective way to build camaraderie and contribute to the overall welfare and success of the department. Staff meetings should be a regular function of the department.

The department has no driver or employee handbook. The transportation services coordinator has worked on a draft handbook that he hopes will ultimately be adopted. The district should completely evaluate the draft document to ensure it complies with the collective bargaining agreement, existing district rules, and practices, and laws and regulations.

Recommendations

The district should:

1. Consider adopting the staffing model recommended by FCMAT.
2. Consider reclassifying the driver instructors as bus drivers and utilizing them as instructors only when needed as appropriate through the collective bargaining process.
3. Bus aides should be hired, trained and evaluated by the Transportation Department.
4. Continue meetings with employees.
5. Continue to work on developing a department handbook.
6. Institute regular department staff meetings.

Bus Routing and Scheduling

Board Policy and Administrative Regulation 3541 creates eligibility and service areas for home to school transportation. This means that students are required to live at least a certain distance from their schools to be eligible for service. The eligible areas are as follows:

- Grades K-5: 1 1/4 miles
- Grades 6-8: Three miles
- Grades 9-12: Seven miles

Over the years, the district has reduced regular home to school transportation service, but has not amended policies to reflect those changes. Therefore, some students technically qualify for transportation according to policy, but service is not provided. In addition, the policy does not mention providing transportation to NCLB or overflow students.

The district has 12 regular education bus routes that serve approximately 732 students with a relative efficiency of approximately 61 students per bus route. Seven routes transport students who live in the Bay Point Area and attend Mt. Diablo High School and Delta View Elementary School and also provide some service to NCLB and overflow students. As regular home-to-school transportation service was reduced, some special education students who rode the regular bus would likely need specialized transportation service. This would be a normal consequence of reducing regular home-to-school transportation service.

The remaining five routes serve students who need to attend schools other than their home school due to large class sizes (overflow students). Some also serve students who are allowed to attend another district school because their home school is in Program Improvement status (PI) under the No Child Left Behind law (NCLB). Some NCLB students are also transported on special education bus routes. In the 2010-11 school year, 201 NCLB students were transported. At present, three middle schools are in Program Improvement, and students attend five other middle schools in the district. Six elementary schools are in this program, and those students attend nine other elementary schools. A high number of choices for students creates a high level of complexity for the Transportation Department in accommodating transportation. This complexity creates additional cost to provide the service. The district should consider consulting with the Transportation Department to determine whether the school transfer choices can be limited.

In the 2010-11 school year, 272 overflow students were transported to schools other than their home school. These students are allowed to choose another school in the district with sufficient space at that grade level. This open choice again creates a high level of complexity for transportation routing and scheduling. Limiting the schools that students can choose to attend will reduce transportation logistics and cost.

The district has 79 special education bus routes transporting approximately 950 special education students for a load factor of approximately 12 students per route. This is a relatively good load factor for a district of this size and population density, indicating reasonable bus routing efficiency. Approximately another 300 special education students are transported by outside contractors or parents who are paid in lieu of receiving transportation. This is an extremely high number of students compared with other school district transportation departments reviewed by FCMAT. This option is also expensive. The Transportation and Special Education departments will have to increase their efforts to ensure internal communication and uniformity of service, enhance service

responsiveness, and remain firm concerning excessive parent demands. Any changes in service level and practices should be clearly communicated to all parents in advance.

The district has developed a formal contract with these outside providers requiring drivers and those in contact with students to be fingerprinted and have their backgrounds checked in accordance with Education Code section 45125.1. However, the contract does not include oversight of driver qualifications, nor does it give the district the right to have a driver removed for excessive traffic violations or behavioral concerns. FCMAT found no evidence of such violations; however, the district should consider the following contract provisions:

- Drivers will be placed in a Department of Motor Vehicles (DMV) pull notice program.
- The district will review the reports for every driver when it arrives.
- The district has the right to have a driver removed for reasonable concerns relative to driving safety or inappropriate activity.

The district reported that approximately 4,500 students have Individualized Education Programs (IEPs). Approximately 1,200 receive specialized transportation as a related service as dictated by their IEPs. Approximately 26% of the special education student population receives specialized transportation. In most school districts that FCMAT has reviewed, approximately 10 percent of special education students receive specialized transportation. Mt. Diablo Unified provides school transportation to a significantly higher percentage of special education students than most school districts in California.

In assigning transportation services, districts should assess students' needs according to the Individuals with Disabilities Education Act (IDEA) and determine the least-restrictive environment (LRE), working towards providing a similar service as their nondisabled peers. At Mt. Diablo Unified, the staff acknowledges that special education transportation has become an expected element of the IEP process. The district has a transportation request form as well as a transportation worksheet to help determine the need for transportation as a related service at the IEP meeting. One of the options on the request form is for parents to be reimbursed for providing service; however, this should not be an articulated option. Staff members indicated that many parents prefer outside providers instead of district buses because outside providers generally provide one-on-one service instead of taking advantage of cost efficiencies by serving several students on a bus route. The decision to utilize the outside providers is often made by the Special Education Department staff at a parent's request instead of processing the decision at the IEP meeting and determining the LRE for the student. The district should make every attempt to place a student on a district bus before considering outside contractors or paying parents to provide service. A sample transportation request form is attached as Appendix A to this report.

The district has begun to realize some of the elements that have greatly increased pupil transportation costs. The district overidentifies students for specialized transportation and does not take advantage of reasonable methods to support each student's LRE as required by IDEA. The district assigns transportation service as a given instead of evaluating each student's specific need.

The district has received an analysis from a third party expert in special education law, compliance with IDEA, and best practices. As a result, Mt. Diablo Unified is working towards clustering special education students at group stops where appropriate and training special education staff members in the IEP process and in determining whether transportation should be a related service. That same expert has developed a checklist that can be used in IEP meetings to help appropriately direct the provision of service. That form is attached as Appendix B to this report.

FCMAT recommends that the district revise its IEP and transportation request forms to evaluate the appropriate need for specialized transportation for each student and use the checklist in meetings. Program specialists, teachers and principals should be trained regarding the issues and decisions involved in determining transportation service. The Transportation Department should be invited to IEP meetings where transportation will be discussed, and should be consulted on challenging situations or placements. For less severe students, transportation should be offered in a similar fashion as transportation service for their nondisabled peers. The district should arrange for corner group stops or stops at the local school of attendance for students to board a bus that will take them outside of their regular attendance area (clustering) instead of providing door-to-door service. In addition, the district should closely evaluate the need for a third-party transportation provider. This transportation is generally provided in a one-on-one fashion and may be less efficient than transportation on a school bus. Also, a high number of parents choose to transport their children instead of having them use a school bus. The option of paying parents to drive their own children to school should be offered only if no district bus is available, and it should not be offered to everyone.

The district could achieve more efficient bus routing and scheduling by coordinating school bell times with input from the Transportation Department. The department had much greater input into school bell times in years past, however, in the past two years, the schools have had broad authority to change their bell times without that input. This has resulted in bell times that are similar throughout the district. With a little more separation of school start and end times, one bus may be able to provide service to two different groups, improving efficiency and cost effectiveness. Because most schools begin within 10 minutes of 8 a.m., the Transportation Department cannot perform more than one service run in the morning. However, if approximately half the schools began at 7:45 a.m., and the other half at 8:30 a.m., the Transportation Department could significantly reduce the overall number of buses and drivers. The district should reinstitute a meeting with the Transportation Department and site administrators each spring to set bell times for the subsequent school year that are sensitive to maximizing transportation efficiency while balancing academic needs.

Varying early dismissal days also hinder the efficiency of the Transportation Department. If a planning early dismissal day is implemented districtwide, it will be easier for parents to remember and the Transportation Department to provide the service without cost implications. For example, if every school dismissed one hour early on Wednesdays, there would be very little or no additional cost for transportation service.

The Transportation Department should have a reasonable influence and input on school bell times and early dismissal days and times.

Although the district's special education bus routes were developed by the computerized routing and scheduling program, drivers are allowed to create the directions for this service. Since the computer program already performs this task, there is no need for drivers to complete this duplicative service. However, since computer directions are not always correct, drivers should continue to submit suggestions for amendments to improve the directions or flow of their routes.

Recommendations

The district should:

1. Review and amend board policy and administrative regulations to reflect the district's desired service level.
2. Limit the number of eligible schools that students can choose to attend for NCLB and overflow reasons.
3. Strengthen contracts with outside transportation providers.
4. Train special education staff members regarding the Individuals with Disabilities Education Act (IDEA), least-restrictive environment (LRE), IEPs and transportation need, improve transportation request forms and checklists, and cluster stops for students who can reasonably get to their local school or a nearby bus stop. These changes should be clearly communicated to parents well in advance.
5. Invite a Transportation Department management employee to IEP meetings where transportation will be discussed, and consult the department regarding challenging situations or placements.
6. Consult with the Transportation Department and shift bell times for better bus route efficiency.
7. Consult with Transportation Department to better align early dismissal days to limit excessive transportation costs.
8. Generate bus driver route sheet directions with the routing software system.

Bus Driver Training and Safety

The requirements for school bus driver training in California are included in Education Code Section 40080 and subsequent sections. School bus drivers must receive a minimum of 20 hours of classroom training in all units of the Instructor's Manual for California's Bus Driver's Training Course. A minimum of 20 hours of behind the wheel training is required from the Instructor's Behind-the-Wheel Guide for California's Bus Driver's Training Course. School bus drivers must also complete a minimum of 10 hours of in-service training each year to maintain their special certificate validity. Special classroom training is required in the last year of certificate validity for renewal. All testing is performed by the DMV through a specialized officer at each California Highway Patrol office. Classroom and behind-the-wheel training require many more hours to teach all of the units in the referenced manuals. Most school districts teach a minimum of 35 hours in the classroom and spend at least the same number of hours behind the wheel. All driver training records must be kept in compliance with laws and regulations.

Several state certified-school bus driver instructors are on the district staff. The supervisor of training acts as a dispatcher, maintains driver training records and supervises the work of three other state-certified driver instructors. These three instructors bid on a regular route, but only drive routes when no other staff members or substitutes are available to drive them. They are classified as driver instructors and are compensated at that higher rate. These personnel are usually available for training, and one of the supervisor-dispatchers as well as the coordinator are state-certified school bus driver instructors.

Driver instructors participate in the beginning of the school year orientation program. This is a half-day program where key staff can welcome employees, announce new practices and provide reminders of common department rules and other laws and regulations. Some of this time is credited as in-service time for the drivers. Over the course of the year, the department creates several Saturday driver training programs, and drivers are paid at straight time for this training. In addition, drivers appear to receive some behind-the-wheel time or have a driver instructor ride along with them to perform a safety check ride.

FCMAT reviewed approximately 10% of the 2011-12 driver training records and found that they comply with the required laws and regulations. Most drivers receive approximately 15 hours of in-service time each year. Check rides with drivers occur every two or three years but should take place at least once annually. Each driver would be expected to receive more training hours considering the number of driver instructors and the amount of time they have for training. With four driver instructors working eight hours per day and 12 months per year, the district should have 2,080 training hours available from each. Even assuming only two hours per day could be creditable training time that would be approximately 21 hours of training time per driver, assuming 100 drivers. Therefore, driver instructors have an excessive amount of unproductive time relative to the training received by the district driving staff.

The driver training records are left in binders on top of file cabinets and driver training history files are unlocked. These files contain sensitive information and should be locked when they are not attended.

The supervisor of training indicated the department has experienced a high number of collisions. In the 2010-11 school year, the department had a total of 43 accidents, and the district was at fault in 23. After accidents, driver instructors spend time retraining the driver behind the wheel, which is an effective practice.

Because of growth in special education transportation and regular employee attrition, instructors have been holding classes approximately every six-to-eight weeks. Once the department fills its necessary positions, it can return to a more regular training schedule. For a district the size of Mt. Diablo Unified, this type of schedule may include offering a large training class (15 to 20 trainees) during the summer and perhaps one smaller class of five to 10 students at some point in the middle of the year such as winter break.

According to Education Code 39831.3, each school site must have a transportation safety plan that can be requested for inspection by any CHP officer. Although the district has this document, it has not been reviewed since it was adopted, and it is unclear whether it is kept at each school site.

According to Education Code 39831.5, school bus safety instruction and evacuation drills must be performed annually for certain grade levels that ride the bus. Records must also be kept of the drills, and the district complies with this law.

Field Trips

The district uses charter buses when district buses or drivers are not available or for special trips. The Transportation Department coordinates the booking of these charter buses, but does not go on site when the charter bus arrives to ensure that bus and driver are School Pupil Activity Bus (SPAB) certified according to California Vehicle Code Section 546.

California Vehicle Code Section 545 defines a school bus as a vehicle that must be used to transport students to and from school and school activities. One exception to that law allows students to be transported in vehicles that are designed for and transport fewer than nine students and the driver (10 total). Unlike other districts, Mt. Diablo Unified does not utilize nonschool bus vehicles for high school athletics (small teams). The district assigns four vans to the Bridge Program, a workability and transition program for older special education students. These drivers receive defensive driver training in the vehicles, and they are enrolled in the DMV Pull Notice Program so the district receives regular copies of their driving records, but they are not enrolled in a drug and alcohol testing program similarly to school bus drivers. The district should consider enrolling all individuals who transport students in district vehicles in a drug and alcohol testing program.

Recommendations

The district should:

1. Ensure that check rides with drivers occur at least once annually.
2. Lock training files when they are not in use.
3. Update the transportation safety plan, and ensure it is located at each school site.
4. Check SPAB certification of bus and driver for every charter bus trip.
5. Consider enrolling all individuals who transport students in district vehicles in a drug and alcohol testing program similar to school bus drivers.

Bus Maintenance and Vehicle Replacement

The California Highway Patrol's (CHP's) Motor Carrier Division annually inspects school buses, maintenance records, driver records and federal drug and alcohol testing program records. The CHP provides a report known as the Safety Compliance Report/Terminal Record Update that grades the school district in the above areas. The district consistently receives CHP's highest grade of "satisfactory." This indicates compliance overall with laws and regulations in these areas.

On the report dated February 17, 2011, 20 buses were inspected in addition to the records. In that inspection, the CHP found two maintenance program violations, three violations regarding driver hours, four relative to brakes, five involving lights and signals and 19 violations dealing with equipment requirements. The most serious violations were two school buses that were inspected by the Transportation Department outside of the legally-required parameters of 45 days or 3,000 miles, whichever comes first. In addition, the CHP discovered three occurrences in which a driver exceeded the maximum amount of 16 hours that a driver can be on duty. These violations indicate weaknesses in management and control of these issues, but not to the level that would compromise student or operational safety. On the same date, the CHP inspected the district's federal drug and alcohol testing program records and found that the district failed to require all drivers to sign a statement indicating they received a copy of the district policy in compliance with federal regulations. That issue has since been rectified.

The district contracts with a third-party drug and alcohol testing management company to oversee the pool of employees and generate the random testing lists. Drug and alcohol testing program administration occurs in the Transportation Department. In many school districts, the human resources office administers and maintains the pool of employees and notifies employees when random testing is due. A third-party management company still generates the random lists. This type of separation creates a level of professional oversight that the department lacks.

The next annual CHP terminal record update was performed on March 1, 2012. In this inspection, the district again received a "satisfactory" grade, but 16 violations were noted. Again, none of those violations would be indicative of systemic issues that would compromise student or operational safety.

The district's vehicle maintenance staffing structure consists of two lead mechanics and five mechanics. The vehicle maintenance program supports the district's fleet of approximately 248 vehicles according to source documents provided. 112 fleet vehicles are school buses with the remaining 136 vehicles compromising various types of maintenance and operations vehicles, custodial, warehouse, food service and other various vehicles for district programs. The district also owns and operates 39 other pieces of equipment including tractors, trailers and mowers. These are maintained by the Maintenance and Operations Department.

The district submitted two separate lists of vehicles that have been sold or scrapped or are intended to be sold or scrapped. Because some of those vehicles are still on the main vehicle and equipment inventory, it is difficult to determine what the district still owns. The district should update the fleet list to ensure only owned vehicles are on the list. The district's Risk Management Department should also be updated to ensure it does not insure vehicles the district no longer owns.

The district's vehicle maintenance shop operates from 6 a.m. to 8 p.m. with shop work coordinated by two lead mechanics. The lead mechanics rotate their work shifts every four weeks with one opening the shop at 6 a.m. and working through 2:30 p.m. and the other beginning

the shift at noon and closing at 8 p.m. There is no vehicle maintenance supervisor as is most common for a program of this size. Both lead mechanics have vehicle maintenance coordination responsibilities, and both individuals report to the transportation services coordinator. The lead mechanics are not supervisorial positions. Coordination of fleet preventive maintenance schedules, 45-day/3,000-mile school bus safety checks, generation of repair or inspection work orders, inventory control and work order processing for billing are not centrally controlled under one responsible individual. The transportation services coordinator is the direct supervisor of the department; however, none of the employees have been recently evaluated by the coordinator.

The flow of communication in the shop is strained. It is a challenge for the transportation services coordinator to effectively coordinate vehicle maintenance needs between two lead mechanics. This coordination could be improved by assigning one central supervisor to ensure that the district's vehicle maintenance, work flows, and related responsibilities are planned, assigned and completed. The district should consider creating a vehicle maintenance supervisor.

Approximately one year ago, the district employed a parts controller; however, the position was eliminated as explained above. This position was responsible for purchasing vehicle repair parts, controlling inventory, and processing work orders. The parts controller was also the primary individual to enter vehicle repair histories and work orders in the district's vehicle maintenance software system. The parts controller essentially handled all paperwork flow in the vehicle maintenance shop. However, work repair orders, preventive maintenance schedules and school bus safety checks have not been electronically tracked since the elimination of this position. As a result, electronic repair and preventive maintenance histories for the district's fleet are not current. School bus safety checks generally are being scheduled in a timely manner; however, the CHP inspection mentioned above indicates that some inspections are not performed on time. Previously, daily fueling data and mileage was entered into the system, and mileage could be tracked more easily. At present, the mechanics utilize various less reliable systems to determine when inspections are due. The lead mechanics use a large dry-erase white board to record the required safety check interval. School bus safety checks are performed and noted on a manual repair form with information transferred to a school bus vehicle maintenance history card contained in a tickler file. School bus preventive maintenance schedules are tracked on a manual work order form with information transferred to the vehicle history card file. The district has instituted an industry standard preventive maintenance schedule system of "A", "B", "C" and "D" checks representing progressive and more intensive inspections. The inspections are based on the required school bus safety check interval within 45 days or 3,000 miles, whichever occurs first. The more intensive services are performed at 6,000 miles, 7,500 miles and 15,000 miles, in addition to the 45-day, 3,000 mile inspection. A review of a sample of school bus preventive maintenance records found that there have been other lapses in regularly scheduled preventive maintenance in addition to those noted by the CHP.

Although there are no legally required intervals for such inspections for nonschool bus vehicles, adherence to a preventive maintenance program extends the life of vehicles, and regular inspections can detect small problems before they become very costly failure repairs. Vans and other district vehicles that transport students should be inspected and maintained as strictly as a school bus.

Additionally, some work orders that FCMAT reviewed failed to identify parts utilized and labor time spent. As a result of the cessation of electronic tracking, the district does not track any vehicle maintenance costs. As noted earlier, cost tracking of the district vehicle maintenance expenses for home-to-school (HTS) general education transportation, special education trans-

portation and other support vehicles is not specifically performed to ensure actual vehicle maintenance expenses are charged to the correct resource account codes. The maintenance work on other district support vehicles is not charged to the departments. The district should reinstitute use of the software program to maintain parts inventory, vehicle repair histories, and to generate useful reports and invoice other departments for parts and repairs.

Most of the district's vehicle parts inventory is located in a parts room upstairs and adjacent to the lead mechanics' office. The parts area is left unsecured throughout the work day and is secured during closed hours by a locked door. Parts are not controlled when they are taken to and from the storage area. More commonly used parts such as oil and air filters, belts and fluids are located in the general work bay areas of the shop for quick access. Again, access is uncontrolled. The upstairs parts room area is large and provides a secure area if appropriately monitored. The parts room needs general housekeeping and has many outdated parts of no use to the district. Adjacent to the upstairs parts room area is the office of the prior parts controller. During FCMAT fieldwork, a large stack of work orders was present, waiting to be entered into the vehicle maintenance software system. The dates on some work orders showed they were almost 10 months old. The district should secure the vehicle maintenance parts inventory area and control access. District work orders containing parts usage should be electronically tracked to ensure inventory control and proper stock levels.

The district has approximately 112 school buses for its 91 school bus routes. This includes more than 25, large, coach-type buses indicating a very large spare bus factor for this type of bus. This leaves barely enough buses to provide special education transportation service. Several buses are aged, out of service and were in the process of being sold through surplus during FCMAT's field visit. Twenty-eight school buses representing 25% of the district's school bus fleet are model years 1986-1988. Twenty-five percent of the district's school bus fleet is close to 25 years old, and it is often impossible for the vehicle maintenance staff to secure replacement parts for necessary repairs. These buses are beyond economic repair and should be considered for replacement. The district recently purchased 19 new buses to transport the special education population that has been returned to the district of residence. Purchase of these new buses; however, did nothing to update the existing fleet. The district recently received a grant for 10 CNG coaches, which should help update the home-to-school fleet. However, it will be necessary to develop a comprehensive vehicle needs assessment and replacement plan. Some buses and maintenance and operations vehicles are being sold. The district should approach this project cautiously and with multiple levels of administrative oversight to ensure it does not jeopardize their ability to provide transportation service.

The California Air Resources Board adopted truck and bus rules relative to diesel particulate exhaust in December 2010. The rules are codified as Title 13 of the California Code of Regulations Sections 2022 & 2022.1. A summary of the rules is attached as Appendix C to this report. These rules require that diesel school buses of more than 14,000 pounds gross vehicle weight rating (GVWR) must install a level 3 diesel particulate filter (DPF). Thirty-three percent of the fleet needs to be retrofitted by January 1, 2012, another 33% by January 1, 2013, and the remaining buses by January 1, 2014. The district staff could not determine whether the district complies with these rules.

The shop staff has the tools required to work on the district's fleet; however, updated diagnostic equipment is needed for the district's compressed natural gas (CNG) vehicles. A laptop computer is also needed to run the diagnostic software.

Many buses are dirty and appear not to have been washed in some time. The buses represent the district in the community and should be washed regularly to help portray a positive district image.

Recommendations

The district should:

1. Ensure that school buses are inspected every 45 days or 3,000 miles, whichever comes first.
2. Maintain all support-fleet vehicles on a regular schedule, and maintain vehicles that transport students on the same schedule as school buses.
3. Assign the Human Resources Department to administer the federal drug and alcohol testing program.
4. Assign one central supervisor to ensure that the district's vehicle maintenance, work flows, and related responsibilities are planned, assigned and completed.
5. Reinstitute use of the software program to maintain parts inventory, vehicle repair histories, and to generate useful reports and invoice other departments for parts and repairs.
6. Secure the vehicle maintenance parts inventory area and control access.
7. Track work orders that contain parts usage electronically to ensure inventory control and proper stock levels.
8. Develop a comprehensive vehicle needs assessment and replacement plan and update the vehicle list. The district should also ensure it does not insure vehicles it no longer owns.
9. Determine whether it complies with DPF regulations.
10. Purchase diagnostic equipment for CNG buses.
11. Wash buses regularly.

Transportation Facility

The district's vehicle maintenance facility is adequate and well designed to address vehicle maintenance needs. Large, well-lighted vehicle maintenance bays are spacious and allow for ample work space. The shop area is generally well organized and relatively clean. The shop area and vehicle parking areas meet the state's storm water run-off rules. In addition, the district complies with local industrial waste rules, with wash water and steam cleaning grease and debris running through an approved separator. All vehicle fluids are stored under cover within the shop area and have necessary spill secondary containment. A district employee monitors the district's compliance with these requirements.

The district has diesel and unleaded gasoline stored in above-ground tanks. The above-ground storage for diesel fuel holds 10,000 gallons and the gasoline tank holds 2,000. Both tanks appear to meet current Environmental Protection Agency (EPA) standards as well as local requirements for fuel storage. An outside vendor maintains fuel storage tanks and pumps. District staff members indicated that two thefts of fuel in the past year were perpetrated by motorists driving into the bus yard, pulling up to the pumps and dispensing fuel. The district should institute an electronic fuel management and security system that can identify staff accessing fuel as well as gallons pumped and usage, as noted above.

The district fleet parking area is relatively large and appears to meet the needs of the district's large fleet of school buses and other support vehicles. A visual review of the lot; however, found that general housekeeping issues need to be addressed, such as several areas that store outdated equipment. A great deal of maintenance and grounds equipment is stored along the fence line, and there is a large amount of stockpiled materials. Much of that material does not appear to be new, but rather used and perhaps surplus. More effective organization of useful equipment as well as the surplus of unused or outdated vehicles would result in additional parking space for buses and employees.

The office of the transportation services coordinator, senior account clerk and senior typist clerk and the shop is separated and across the parking lot from the dispatch office, driver training office and driver's lounge. Although this has been satisfactory for years, it would certainly be much more functional if all of the operational offices were in closer proximity.

The driver training classroom is an old trailer-office, typical of those utilized at a construction site. The classroom has a very potent odor of mold. Staff members indicated that the moldy smell has been present for years and cannot be mitigated. This classroom space should be immediately abandoned and a used, but serviceable portable classroom should be installed in its place.

Recommendations

The district should:

1. Institute an electronic fuel management and security system that can identify staff accessing fuel as well as gallons pumped and usage.
2. Organize equipment and determine whether to surplus unused or outdated vehicles.
3. Immediately replace the driver training classroom.

Appendices

A. Sample Transportation Request Form

B. IEP Checklist

C. Summary of Rules

D. Study Agreement

Appendix A. - Sample Transportation Request Form

☐ Special Education
☐ 504
☐ No Child Left Behind

Poway Unified School District
Special Education
13626 Twin Peaks Road, Poway CA 92064

TRANSPORTATION REQUEST

☐ Start _____
☐ Change _____
☐ Continue _____

PLEASE PRINT CLEARLY

Student Name		Parents Name		Home Phone	Work Phone	Cell Phone
Address		Apartment Name and number		TRANSPORTATION REQUIRED		
City		Zip	SCHOOL HOURS From / To	YES		
Name of Special Program		Birthdate / Grade		** HOME-SCHOOL-HOME ☐		
School	Address	School Phone Number		HOME-SCHOOL-SITTER ☐		

YES	NO	FACTORS AFFECTING TRANSPORTATION	EXPLANATIONS	
		CAN WALK TO/FROM A DESIGNATED BUS STOP ☐ Gated Community/Apartment Complex may not be accessible.		SITTER-SCHOOL-HOME ☐ SITTER-SCHOOL-SITTER ☐ HOME TO SCHOOL ☐ SITTER TO SCHOOL ☐ SCHOOL TO HOME ☐ SCHOOL TO SITTER ☐
		Wheelchair dependent		Name of Sitter
		Walker dependent		Address
		Requires assistance loading/unloading		City
		Safety Vest		Name of Responsible Party for Release
		Special Aide/Nurse required		
		Must be met at Residence or School		
		Possible Problem with other children		
		Diabetic		
		Subject to Seizures		
		Requires Medication		
		Special Equipment		
		Oxygen		
		Trach/Gast Tube		
		Restraints		
		Suction machine		
		Other		
		Other		

REASON OR TRANSPORTATION
☐ Placement away from Home School ☐ Student Disability

_____ _____
Signature (Special Education/Health Services) Date

PARENTAL RELEASE SIGNATURE
I AGREE TO HOLD HARMLESS AND INDEMNIFY THE POWAY UNIFIED SCHOOL DISTRICT, ITS EMPLOYEES, AND ITS AGENTS FROM ANY CLAIM OR DEMAND WHICH MAY BE MADE BY REASON OF MY AUTHORIZATION TO ALLOW MY CHILD TO WAIT FOR AND/OR LEAVE THE SCHOOL BUS AT A PREARRANGED LOCATION.

_____ _____
Parent Signature Date

EMERGENCY POINTS OF CONTACT AND RESPONSIBLE PARTIES
IN CASE OF EMERGENCY, OR IF WE ARE UNABLE TO DELIVER YOUR CHILD TO YOU WE WILL ATTEMPT TO CONTACT THE FOLLOWING PEOPLE YOU DESIGNATE AS EMERGENCY POINTS OF CONTACT. IF WE ARE STILL UNABLE TO DELIVER YOUR CHILD, WE WILL DELIVER YOUR CHILD TO EITHER THE; POWAY SHERIFFS DEPARTMENT OR SAN DIEGO POLICE DEPARTMENT FOR SAFE KEEPING.

Name	Relationship	Telephone	Name	Relationship	Telephone

TRANSPORTATION USE ONLY		
EDU LOG NO.	AM STOP NO.	PM STOP NO.

T-7A (rev 9-09) Distribution: WHITE- Transportation YELLOW- Speced Cum File PINK- Parent

Appendix B. - IEP Checklist

Special Education Transportation Chart/Checklist

Student's Name:

STEP 1: Unique Needs that May Require Special Education Transportation: __ Does disability make it problematic for student to get to school in same manner as non-disabled peers? Explain.	If it is problematic to get to school in same manner as non-disabled peers, this is a factor in favor of special education transportation.
___Are same age peers expected to walk by themselves or take public transportation? Explain.	If same age peers are expected to walk by themselves or take public transportation, can this student also be expected to do this? Explain.
__Does student have significant limitations in strength, vitality or alertness that prevent him/her from riding the regular bus? Explain:	
___Does student's medically fragile condition prevent him/her from riding the regular school bus? Explain	
___Does student need special medical equipment that must be transported on a specialized school bus? Explain	
___ Is there physical access for student to the curbs, sidewalks, streets and public transportation? Explain.	
___ Is distance from student's home to school so far or remote that it requires specialized transportation arrangements? Explain.	
___ Does student have a wheelchair requiring special securement system on school bus? Explain.	
_____ Visual impairment prevent him/her from riding regular school bus? Explain.	
_____Hearing impairment prevent him/her from riding regular school bus? Explain.	
_____Does student's disability or level of functioning prevent him/her from being able to travel to school independently? Explain.	
___Does student's disability or level of functioning prevent him from being able to travel to and wait independently at a regular school bus stop? Explain	
___Does pupil have the capacity to arrive at school on time, avoid getting lost, avoid dangerous traffic and avoid other potentially dangerous or exploitive situations on way to and from school? How does this capacity compare to same aged non-disabled peers? Explain.	

___ Does student have behavior plan that requires certain transportation services so severe that he/she cannot ride the regular school bus? Explain.	Can Behavior plan be implemented while being transported on regular school bus?
_____ Is student serviced at home school?	
_____ Does student's unique needs require him to attend a special education program outside of district's geographical boundaries?	
_____ Does student's unique ESY needs require specialized transportation?	
STEP 2: IEP Team decides whether Student is able to ride the regular bus and/or walk/bike to school without the need for accommodations.	
[Walk/Bike Analysis] _____Is student in walking/biking distance to school? (Follow District policy of regular ed bus for students who live further than 1 ¼ miles from school [K-5], 3 miles [6-8 grade] and 7 miles [high school].) _____ Is student's same aged non-disabled peer able to walk self to school? [Note: If five year old lives one mile to school, he/she cannot walk him/herself to school but no regular ed transportation is provided. So, if there is not a unique need for this special education student to get transportation as a related service, the special education student would need to be walked/driven/biked by an adult just as a non-disabled peer.] [Regular Bus Analysis] _____Can student ride regular school bus without behavioral interventions? _____Can student get to/from bus stop in a similar manner and as safely as same age nondisabled peers?	
STEP 3: If student lives within 1 ¼ miles from school [K-5], 3 miles [6-8th grade] or 7 miles [high school] and has unique needs that prevent him from walking self or taking public transportation to school (same as like age non-disabled peers), then IEP team should discuss whether student is capable of taking regular education transportation without accommodations? _____ yes or no If yes, then student's IEP should reflect that he/she will be provided with regular education bus	

transportation without accommodations, if available (despite living a closer to school). If no, go to STEP 4.	
STEP 4: If student cannot ride the regular bus without accommodations, the IEP team needs to determine if the student can ride the regular school bus to school with accommodations. ___ Possible accommodations [to be indicated on IEP] on bus include special seating arrangements, behavior interventions, special reinforcers, encourage replacement behaviors, additional adult supervision (aide on bus), restraint, or regular bus picks student up at street address or door in lieu of regularly designated bus stop.	
STEP 5: If student is unable to ride the regular bus with accommodations, the IEP team shall include specialized transportation on the IEP. Specialized transportation should be described in sufficient detail to inform parties how and where transportation will be provided and details of reimbursement to parent, if applicable. ____Consult representation of District's Transportation Department, if needed. ____ Identify type of transportation to be provided [see below "terms" and "definitions" for uniform system] ____ Determine whether student has any unique needs that necessitate an approximate time limit for length of time on bus. ____ Identify any special arrangements or instructions on the IEP and communicate those needs to the District's Transportation department.	
Term	**Definition**
1. Point to point	Home to school and school to home. "Home" is identified by parent and can be a child care location if within the district boundaries. Must be a consistent location unless other arrangements are approved by the District. Point of pickup is safest location in proximity to "home".
2. Point to Point, unsupervised	See #1 but no supervision required at point of pickup or point of delivery. Student can wait for pickup, unattended. Student can travel from bus to classroom or school based location unattended.
3. Point to Point, supervised	See #1 but child is under parent supervision at

	time of pickup. Child can walk to bus while parent is watching from home. At school delivery, school staff maintain observation of child but do not need to provide physical attendance.
4. Hand to hand	See #1 but parent responsible for supervision at pick up. Delivers child to bus door. School staff responsible for meeting child at bus. Driver releases child to school staff who then accompany child to class or other school based location.
5. Bus attendant (Rider)	Per IEP team, for student safety and/or health, a school employee accompanies student on bus to monitor and/or implement a health protocol or behavior plan.
6. Safety support (specify)	Use of lap belt, harness, safety vest, lap belt lock, or other specialized equipment to ensure student stays in seat and travels safely. Driver can secure child in the needed support equipment.
7. General transportation	Not specialized transportation. This transportation is that form provided to any child living in District boundaries in accordance with BP/AR ___transportation standards.
8. School to school transportation	Due to special education placement at a school other than school of residence, student is transported from school of residence to school of service. (Student must be able to safely travel from home to school of residence or other designated pick up location identified by Transportation.)

Appendix C. - Summary of Rules

FACTS ABOUT

Truck and Bus Regulation School Bus Provisions

On December 12, 2008, the California Air Resources Board approved the Truck and Bus regulation to significantly reduce particulate matter and oxides of nitrogen emissions from existing diesel vehicles operating in California. This fact sheet describes the regulatory requirements for school bus PM reductions consistent with the amendments considered by the Board in December 2010. For general information about the diesel regulation, see the Truck and Bus Regulation Compliance Requirements Summary fact sheet.

What does the regulation require?

Diesel-fueled school buses with a Gross Vehicle Weight Rating over 14,000 pounds are subject to the regulation. Owners must retire school buses manufactured before April 1, 1977, by January 1, 2012. Remaining school buses must have particulate filters (that reduce diesel PM emissions by 85 percent) installed according to the schedule shown below in Table 1.

Table 1: Percent of Total Fleet with Particulate Filters

Compliance Deadline, as of January 1	Percent of Total Fleet
2012	33%
2013	66%
2014	100%

What relief did the Board grant at the December 17, 2010, hearing?

The Board delayed the initial compliance date by one year and provided an optional three year delay until 2014 for school buses with engine model years 1988-1993. Additionally, the board added credits for electric, hybrid, alternative fuel, and pilot ignition engine school buses and they also reduced the reporting requirements.

How does the regulation define a school bus?

School buses are vehicles providing transportation of any school pupil at or below the 12th-grade level to or from a public or private school or, to or from public or private school activities.

What school buses are already in compliance with this regulation?

School buses with ARB-verified Level 3 (85 percent reduction of PM) particulate filters installed or engines meeting a 0.01 grams/brake horse power-hour PM emission standard and school buses with ARB-verified Level 2 (50 percent reduction of PM) particulate filters installed on or before December 31, 2005, if that was the highest level device available at the time.

What school buses are exempt from the regulation?

School buses with a GVWR less than or equal to 14,000 pounds, school buses registered as historic vehicles and non diesel-fueled school buses such as compressed natural gas fueled school buses are exempt.

Is there a provision for low use school buses?

Yes. School buses operating less than 1,000 miles in a 12-month period are exempt from the performance requirements of the regulation; however, these vehicles are subject to recordkeeping requirements.

What is required if a school bus cannot be retrofitted?

A delayed compliance date of January 1, 2018, is provided for school buses that cannot be retrofitted (e.g., 2-stroke engine buses and some pre-1987 model year school buses). By January 1, 2018, these buses must be replaced if no particulate filter is available or repowered with an engine on which a particulate filter can be installed. Recordkeeping and reporting requirements apply until the school bus is brought into compliance.

What are the reporting requirements?

Reporting is required when the owner of the fleet chooses to use the "Extension of Deadline for Unavailability of Verified Diesel Emission Control Strategy," which applies to buses on which a PM filter cannot be installed. The reporting requirements apply on January 31 of each compliance year through January 31, 2017. These buses are also subject to recordkeeping requirements.

Are there credits for fleets that have downsized?

Yes, there are credits for downsized fleets until January 1, 2014. A fleet that decreases their number of regulated school buses may reduce the percent requirement in Table 1 by the same percentage that the fleet has downsized since 2006. For example, a fleet that is 20 percent smaller than it was in 2006 would subtract 20 percent from the annual compliance requirement. If the compliance requirement for the year is 33 percent, the fleet would need to demonstrate that it had PM filters on 13 percent of the existing fleet (33 percent - 20 percent = 13 percent). All school buses in the 2006 baseline fleet and in the fleet on January 1st of the compliance year are subject to the recordkeeping requirements.

Are there credits for fleets with alternative-fuel vehicles?

Yes. Fleets with electric, hybrid, alternative fuel or pilot ignition engine school buses with a GVWR greater than 14,000 pounds shall receive a credit to treat a diesel school bus as compliant until January 1, 2014.

When is a California Highway Patrol safety inspection required?

The CHP safety inspection is required after a PM filter is installed and before the school bus returns to service.

How have retrofits on school buses performed?

Retrofit PM filters have proven to be a cost-effective option for school buses. Thousands of filters have already been installed on school buses throughout the state, with fewer than one percent exhibiting issues. When issues have arisen, PM filter manufacturers have worked with fleets to resolve them.

How are retrofits a cost-effective approach for reducing PM emissions?

Approximately seven school buses can be retrofitted for the same amount of money as one new school bus replacement. A PM filter costs less than a new bus even when considering the added cost of infrastructure and electricity. Also, fleets will incur maintenance costs regardless of whether an aftermarket filter or an original engine manufacturer filter is installed on the school bus.

Is incentive money available?

The Lower-Emission School Bus Program provides limited financial incentives of up to $20,000 per bus to install diesel PM filters and up to $140,000 per bus to help replace high-emitting pre-1987 model year buses (match funding is required to replace 1977-1986 model year buses) to reduce toxic PM emissions. The use of fully-funded diesel PM filters substantially reduces school children's exposure to toxic diesel PM and is the least expensive compliance option.

This funding does not cover the cost of a typical hybrid school bus. The Hybrid Truck and Bus Voucher Incentive program permits combining funds from the Lower-Emission School Bus Program to finance up to the full cost of a new hybrid school bus. Additionally, many local air districts collect motor vehicle registration fees and other funds which may be used to replace or retrofit school buses. Information about the LESB program is located at *www.arb.ca.gov/bonds/schoolbus/schoolbus.htm*.

For More Information

Fact sheets, compliance tools and regulatory documents are available at *www.arb.ca.gov/dieseltruck* or by calling ARB's diesel hotline at (866) 6DIESEL (634-3735).

To obtain this document in an alternative format or language please contact the ARB's Helpline at (800) 242-4450 or at *helpline@arb.ca.gov*. TTY/TDD/ Speech to Speech users may dial 711 for the California Relay Service.

www.arb.ca.gov PO BOX 2815 SACRAMENTO CA 95812 (800) 242-4450 REVISED 03/22/11

Appendix D. - Study Agreement

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

FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM
STUDY AGREEMENT
April 19, 2012

The FISCAL CRISIS AND MANAGEMENT ASSISTANCE TEAM (FCMAT), hereinafter referred to as the Team, and the Mt. Diablo 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 Mt. Diablo Unified School District operations. 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 – Special Education and Home to School Transportation Review**

A. Scope and Objectives of the Study

Special Education and Home to School Transportation Review
Transportation Review:

Provide a comprehensive evaluation of the District's pupil transportation program to include both home-to-school and special education student transportation services, vehicle maintenance and safety and training practices. Specific areas to be reviewed include:

1. Analysis of the District's state transportation revenue and contributions (encroachment) from the unrestricted general fund for the transportation program for home to school and special education transportation.

2. Evaluate the Transportation Department's staffing and provide recommendations to improve the efficiency, if needed.

3. Review routing methodology and relative routing efficiency for both home to school and special education transportation services.

4. Review the District's scheduling of extracurricular field trips/athletic trips.

5. Provide an evaluation of the transportation department's operational efficiency and make recommendations for potential savings.

6. Review the department's driver training and safety and compliance with driver training laws and regulations.

7. Review the department's compliance with all laws and regulations which shall include Vehicle Code, Education Code, CAC Title 5, 8 & 13.

8. Evaluate the department's vehicle maintenance program, vehicle safety, compliance with vehicle maintenance laws and regulations. This component will also include a review of the bus and vehicle replacement schedule and provide recommendations

9. Review the department's board policy, administrative regulations and purchasing procedures for parts and equipment.

10. Evaluate the department's transportation operations facility to include compliance with industrial waste and hazardous materials rules and storm-water run-off regulations.

11. Review of the District's fuel storage facility and management systems.

12. Review use of technology within the transportation program in the areas of routing, scheduling of extracurricular/athletic trips, vehicle maintenance and other areas for efficiency.

B. Services and Products to be Provided

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.

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

1. Exit Report - 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.

2. 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.

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

4. Final Report - Electronic copies of the final study report will be delivered to the District administration following completion of the review. Written copies are available by contacting the FCMAT office.

5. 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 cost. 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, CFE, Deputy Executive Officer, Fiscal Crisis and Management Assistance Team, Kern County Superintendent of Schools Office. The study team may also include:

A. Eric Smith	FCMAT Consultant
B. Tim Purvis	FCMAT Consultant
C. Mike Rea	FCMAT Consultant

4. PROJECT SCHEDULE

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

Orientation:	May 21, 2012
Staff Interviews:	May 21-23, 2012
Exit Interviews:	May 23, 2012
Preliminary Report Submitted:	to be determined
Final Report Submitted:	to be determined
Board Presentation:	to be determined
Follow-Up Support:	if requested

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

5. PROJECT COSTS

The cost for the transportation component 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 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.

Based on the elements noted in section 2A, the total cost of the transportation component of the study is estimated at $14,700.

C. Any change to the scope will affect the estimate of total cost.

6. SCOPE OF THE WORK – Special Education Program Review

A. Scope and Objectives of the Study

Special Education Program Review

The FCMAT Team will provide a comprehensive operations analysis of the delivery of all special education services throughout the district to ensure the effective use of resources while providing quality special education services to students with disabilities. Identify service delivery options that may be expanded or modified to realize savings and provide recommendations for reallocation of resources and program development options to improve the program effectiveness.

The review process will consist of but not be limited to the following:

1. An examination of the district's philosophy, programs and procedures in special education/504 to determine whether they are consistently aligned with the district mission and core beliefs.

2. A review of the special education administrative structure and responsibilities in districts of comparable size. Review of all administrative procedures regarding special education/504 and the relationship to the district's overall organization.

3. Review board policy and administrative regulations for the special education/504, SELPA Local Plan, Annual Service Plan and other documents outlining the delivery system for special education/504 services.

4. Provide an analysis of staffing ratios, class and caseload size in relation to other districts across the state and legal mandates.

5. Dissemination of surveys to all teachers and staff that provide data regarding staff morale, communication, effectiveness of programs, services and support.

6. Provide recommendations to address the necessary balance between providing a full continuum of services required by law for students with special needs while providing full consideration of the financial effects that the funding of special education has on the district.

7. An evaluation of the efficiency of resource allocations for special education staffing and services such as district staff, the use of nonpublic agencies, mental health services, nonpublic schools.

8. An analysis of parent input regarding the opportunities currently available for parent involvement, district outreach and parent communication related to obtaining services for their students.

9. Dissemination of parent surveys to all parents of students with disabilities in the district that provide data on parent satisfaction, communication, problem solving, parent participation and support. Survey development and dissemination will be done in coordination with the district and FCMAT staff.

10. Conduct parent focus groups to gather additional parental input regarding special education programs, communication and community satisfaction.

11. Review of any district data already available regarding parent satisfaction with special education programs such as SESR parent survey or focus group data.

12. Review of the Speiler vs. Mt. Diablo Consent Decree and all supporting data regarding implementation.

7. PROJECT PERSONNEL

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

A. Dr. William Gillaspie	FCMAT Deputy Administrative Officer
B. Debbie Fry	FCMAT Consultant
C. JoAnn Murphy	FCMAT Consultant
D. Ann Stone	FCMAT Consultant

8. PROJECT SCHEDULE

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

Orientation:	5 days field work to be determined
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
Follow-Up Support:	if requested

9. PROJECT COSTS

The cost for the special education program component studies requested pursuant to E.C. 42127.8(d) (1) shall be:

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

E. All out-of-pocket expenses, including travel, meals, lodging, etc. 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.

Based on the elements noted in section 6 A, the total cost of the special education component of the study is estimated at $22,200.

F. Any change to the scope will affect the estimate of total cost.

The total agreement cost for transportation and program review is estimated at $36,900.

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

10. 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 or proposed organizational charts
4. Current and two (2) prior years' audit reports
5. Any documents requested on a supplemental listing
6. Any documents requested on the supplemental listing should be provided to FCMAT in electronic format when possible.
7. Documents that are only available in hard copy should be scanned by the district and sent to FCMAT in an electronic format.
8. All documents should be provided in advance of field work and any delay in the receipt of the requested documentation may affect the start date of the project.

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 pupils. The District shall take appropriate steps to comply with EC 45125.1(c).

11. CONTACT PERSON

Name of contact person: Bryan Richards, Chief Financial Officer

Telephone: (925) 682-8000 x4092 FAX: (925) 691-5246

E-Mail: richardsb@mdusd.org

Steven Lawrence, Superintendent — Date
Mt. Diablo Unified School District

April 19, 2012

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