



CSIS *California School Information Services*

Saugus Union School District

Transportation Review July 11, 2012



Joel D. Montero
Chief Executive Officer





CSIS California School Information Services

July 11, 2012

Joan Lucid, Ed.D., Superintendent
Saugus Union School District
24930 Avenue Stanford
Santa Clarita, CA 91355

Dear Superintendent Lucid:

In January 2012, the Saugus Union School District and the Fiscal Crisis and Management Assistance Team (FCMAT) entered into an agreement for management assistance. Specifically, the agreement states that FCMAT will perform the following:

1. Review the pupil transportation revenue, expenditures and contributions from the district's unrestricted general fund and make recommendations to increase the operational efficiency of the department.
2. Evaluate operational efficiency related to the district's contract service provider for student transportation services and make recommendations for potential cost reductions.
3. Evaluate the transportation department's routing methodologies and efficiency model and make recommendations for improvement.
4. Review the transportation department's vehicle maintenance program including the current status of the vehicle inventory and replacement schedule, and make recommendations for improvement.

This report contains the study team's findings and recommendations. FCMAT appreciates the opportunity to serve the Saugus Union School District and extends its thanks to all the staff for providing information to the study team.

Sincerely,

Joel D. Montero
Chief Executive Officer

FCMAT

Joel D. Montero, Chief Executive Officer

1300 17th Street - CITY CENTRE, Bakersfield, CA 93301-4533 • Telephone 661-636-4611 • Fax 661-636-4647
422 Petaluma Blvd North, Suite. C, Petaluma, CA 94952 • Telephone: 707-775-2850 • Fax: 707-775-2854 • www.fcmat.org
Administrative Agent: Christine L. Frazier - Office of Kern County Superintendent of Schools

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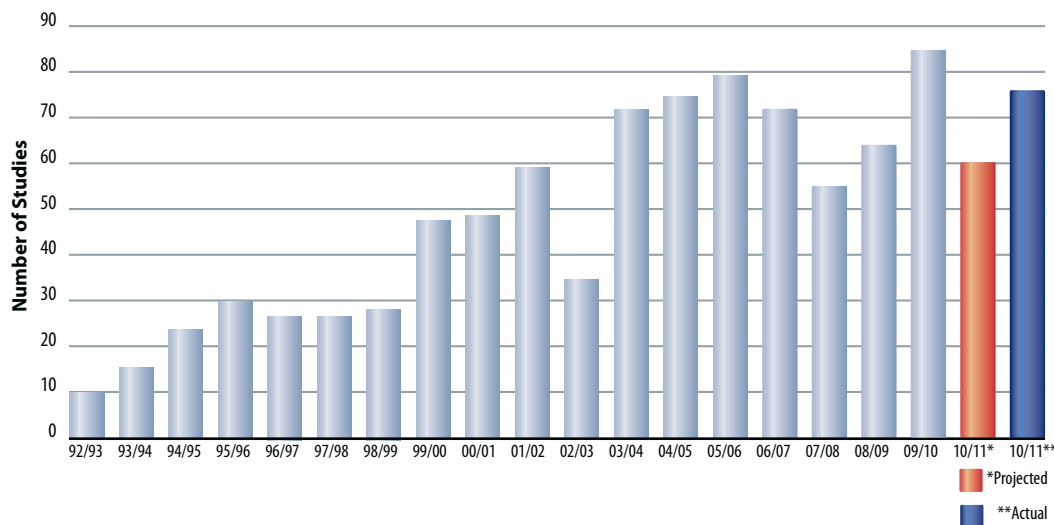
About FCMAT

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

Located in the Santa Clarita Valley area of northern Los Angeles County, the Saugus Union School District has a five-member elected governing board and serves approximately 10,300 students in kindergarten through sixth grade at 15 elementary schools. Student enrollment reached a peak of 10,758 students in 2005-06, but has been slowly declining since then.

The district includes approximately 99 square miles and encompasses the communities of Canyon Country, Saugus, Valencia and a portion of Santa Clarita. The district is adjacent to the Six Flags Magic Mountain theme park and immediately east of Interstate 5 south of the Grapevine. Pupil transportation is provided through a contract with an outside service provider, Student Transportation of America, Inc. The district has one regular education home-to-school route serving approximately 40 students, and 12 special education routes serving approximately 104 students. The governing board has taken action to eliminate the regular education route effective June 30, 2012.

Study Guidelines

In January 2012, the district and the Fiscal Crisis and Management Assistance Team (FCMAT) entered into an agreement for management assistance. Specifically, the agreement states that FCMAT will perform the following:

1. Review the pupil transportation revenue, expenditures and contributions from the district's unrestricted general fund and make recommendations to increase the operational efficiency of the department.
2. Evaluate operational efficiency related to the district's contract service provider for student transportation services and make recommendations for potential cost reductions.
3. Evaluate the transportation department's routing methodologies and efficiency model and make recommendations for improvement.
4. Review the transportation department's vehicle maintenance program including the current status of the vehicle inventory and replacement schedule, and make recommendations for improvement.

FCMAT visited the district on March 19 and 20, 2012 to conduct interviews, collect and begin reviewing documents, and observe the transportation facility and buses. This report is the result of those activities and is divided into the following sections:

- I. Executive Summary
- II. Transportation Finance
- III. Transportation Services Contract
- IV. Routing Methodology
- V. Vehicle Maintenance

Study Team

The study team was composed of the following members:

Diane Branham
FCMAT Chief Management Analyst
Bakersfield, CA

Joseph Bjerke
FCMAT Consultant
Coeur d'Alene, ID

Timothy Purvis*
Director of Transportation
Poway Unified School District
Poway, CA

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

Leonel Martínez
FCMAT Technical Writer
Bakersfield, CA

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

Executive Summary

Transportation Finance

Pupil transportation in California was fully funded for school districts up to 1977. Since funding decreased and costs increased over time, the state funding now provides for approximately 35% of the statewide transportation costs. State budget discussions have continued regarding 2012-13 transportation funding, and the outcome is unknown at this time. The district should continue to evaluate its annual per mile and per student costs to determine how they may be improved and ensure that home-to-school (HTS) transportation costs are sufficient to protect its approved state apportionment.

School districts annually report their costs on the Form TRAN, which is the California Department of Education's pupil transportation report. The report is separated into two columns, HTS and severely disabled/orthopedically impaired (SD/OI), and the cost information is automatically generated by the district's financial system. The district should ensure that students are correctly identified, transportation costs are reasonably distributed between HTS and SD/OI and costs are charged to the proper accounts so that information is reported correctly.

Transportation Services Contract

No single district employee manages the contract with Student Transportation of America, Inc. (STA). Consequently, elements of the contract are not followed, and interviews indicated that some elements of the contract have been amended by verbal agreement over its term. A single employee should be immediately assigned to oversee the contract, and the district should either follow the contract terms or amend the contract in writing to reflect current practices.

The term of the contract with STA ends on June 30, 2012. The district should extend the term of the existing contract one fiscal year and prepare documents to go to bid and award a new contract for transportation services prior to July 1, 2013, to ensure competitive pricing, best available service, and review of contract terms.

The district is invoiced weekly for transportation service; however, the invoice information is not sufficient for district staff to properly audit. The district should require the contractor to include the following information on the weekly invoice: the established route time, actual daily route time, total variance between the two times, and the reason for the variance so that the information can be easily compared and reconciled to each driver's daily bus report.

Five buses are considered out of service and no longer maintained under the contract. The district has requested that STA continue to maintain these buses to retain their California school bus certification, and the district pays additionally for this service. However, the buses are inspected more frequently than required by law. The district should ensure that out-of-service buses are inspected on a 45-day calendar and determine whether the buses should be reinstated and used for field trips.

Routing Methodology

The district's board policies for pupil transportation service are outdated and should be reviewed and updated regularly.

Some of the district's special education students who attend programs outside the district and/or nonpublic schools are transported on buses operated by Forsythe Transportation, the contractor for William S. Hart Union High School District. A written contract should be developed for these services, and sufficient detail should be included on the invoices so that they may be properly audited.

Special education student transportation service needs are included on a spreadsheet at the beginning of each school year, and changes are often communicated by a telephone call or e-mail throughout the year. The district should develop and use a transportation request form for special education students who require transportation and ensure that it is used for all changes. The district should also ensure that students are identified as severe or nonsevere based on definitions included in Education Code Sections 41850 and 56030.5.

Bus route efficiency is often tied to school bell times, and adjustments to bell times may yield pupil transportation savings. The district should work with STA annually to determine if some minor bell time adjustments could yield additional route efficiency.

Vehicle Maintenance

The California Highway Patrol's (CHP) Motor Carrier Division annually inspects every bus and evaluates school transportation operations. They produce a report commonly known as the "terminal grade." The inspection includes evaluation of the preventive maintenance program, vehicle maintenance records, driver training records, driver hours on duty and driver drug and alcohol testing program. The district received the highest grade awarded by the CHP, "satisfactory," on the 2011 annual inspection.

Five of the district's buses are out of service. Although discussions have occurred regarding disposal of the buses, the district should consider keeping and maintaining them as they may qualify for future grant replacement programs. The district should ensure that training is provided to staff to apply for bus replacement and diesel particulate filter grants when funding opportunities are available. In addition, six van-type buses will soon need replacement, and the district should develop and implement an equipment/vehicle replacement plan.

The district should obtain quotes and secure competitive pricing for fuel deliveries and order in larger quantities to benefit from the lowest possible prices. Fuel is dispensed through an electronic fuel management system, but the system has reporting capabilities that the district does not use. The district should manage its fuel use and produce weekly reports to ensure fuel is charged to the correct accounts.

Findings and Recommendations

Transportation Finance

California's pupil transportation program has been underfunded for many years. Prior to 1977, the state fully reimbursed school districts for their approved pupil transportation operational costs. School districts reported their operational costs at the end of each fiscal year and received reimbursement in the subsequent year. After Proposition 13 passed in 1978 and up to the 1982-83 fiscal year, the state reduced the percentage of reimbursement to 80% and capped funding at that level. School districts that have increased their pupil transportation service due to enrollment growth do not receive additional funding. Following the 1982-83 base year, the state continued to reduce the percentage of funding for the program although cost-of-living adjustments (COLAs) have been applied inconsistently.

Funding for education has been severely reduced for the last four years due to the state and federal budget crisis. Transportation funding has continued to decline because of state budget cuts and deficits that have been applied, and from 2008-09 to 2009-10 funding was reduced by approximately 19.84%. Consequently, the current level of state funding only provides for approximately 35% of the total reported pupil transportation costs statewide. As pupil transportation costs have increased and the state funding that supports the program has decreased, many school districts have experienced larger unrestricted general fund contributions to transportation each fiscal year.

The 2011-12 state budget included language that provided for automatic mid-year cuts to education funding if the projected revenue levels did not materialize. In December 2011, the California Department of Finance announced that the annual revenue estimates were \$2.2 billion less than projected. Therefore, mid-year cuts that were to include a 50% reduction in transportation funding, were imposed on school districts. Senate Bill 81 restored the funding to pupil transportation but reduced school district revenue limits statewide to offset the restoration.

The state's fiscal crisis has already resulted in deep budget cuts to local educational agencies (LEAs), and funding for the 2012-13 fiscal year is uncertain given the ongoing state budget deficit. The governor's January proposal for the 2012-13 state budget included complete elimination of transportation funding. The governor's May Revise proposal provides for the 2011-12 amount of transportation funding, but allows the funds to be spent for any educational purpose; this proposal is contingent on passage of the governor's tax initiative. State budget discussions have continued regarding 2012-13 transportation funding, and the outcome is unknown until the state budget is approved.

Regular education home-to-school (HTS) transportation is not mandated under California law, but may be provided under local school district policies and practices. However, federal law mandates that special education students identified through their Individualized Education Program (IEP) as requiring transportation as a related service to access their education program location to be provided with transportation (Individuals with Disabilities Education Act (IDEA), Code of Federal Regulations Title 34, Section 300.34 (c)(16)).

Education Code (EC) Section 41850 defines HTS transportation, which may include nonsevere special education pupils. Special education transportation is specifically defined in EC Section 41850(d)(1) in two categories: severely disabled and orthopedically impaired (SD/OI).

Orthopedically impaired refers to pupils who require a vehicle with a wheelchair lift and severely disabled is defined in EC Section 56030.5 as follows:

...individuals with exceptional needs who require intensive instruction and training in programs serving pupils with the following profound disabilities: autism, blindness, deafness, severe orthopedic impairments, serious emotional disturbances, severe intellectual disability, and those individuals who would have been eligible for enrollment in a development center for handicapped pupils under Chapter 6 (commencing with Section 56800), as it read on January 1, 1980.

Many school districts have been reducing or eliminating regular HTS transportation in response to declining state funding. School districts need to be cautious, however, because reducing costs below the district's state-approved apportionment level (the highest level of funding) will reduce future apportionments to the lower cost level, as outlined in EC 41851(c).

School districts are required to report their pupil transportation costs and related data to the state annually on Form TRAN, with the unaudited actuals financial report. Form TRAN includes the number of buses used, number of students transported daily, total miles driven and related annual costs in two columns: home-to-school (HTS) and SD/OI. To report transportation cost information to the state, districts are required to use the Standardized Account Code Structure (SACS) software. The SACS software necessitates the use of Resource 7230 for HTS transportation for all students that are not SD/OI, and Resource 7240 for SD/OI students. The table below summarizes pupil transportation data from the district's Form TRAN and the California Department of Education (CDE) for the past three years.

<i>Transportation Data</i>						
	2008-09 HTS	2008-09 SD/OI	2009-10 HTS	2009-10 SD/OI	2010-11 HTS	2010-11 SD/OI
Number of Buses	14	5	6	8	9	5
Number of Pupils	456	37	88	60	119	32
Number with Transportation in IEP	103	37	102	57	81	32
Number of Miles	145,887	70,564	70,326	105,353	114,131	47,775
Cost per Mile	\$7.47	\$4.41	\$8.00	\$4.58	\$5.03	\$7.35
Cost per Pupil	\$2,391.07	\$8,402.11	\$6,396.56	\$8,038.27	\$4,824.27	\$10,978.40
Total Approved Expense	\$1,090,325.50	\$366,201.15	\$562,897.06	\$482,296.09	\$599,088.09	\$376,308.74
Revenue	\$185,007.00	\$290,617.00	\$148,299.00	\$232,954.00	\$148,766.00	\$233,688.00
Encroachment	\$905,318.50	\$75,584.15	\$414,598.06	\$249,342.09	\$450,322.09	\$142,620.74
Encroachment %	83.03%	20.64%	73.65%	51.70%	75.17%	37.90%
Total Encroachment		\$980,902.65		\$663,940.15		\$592,942.83
Total Encroachment %		67.35%		63.52%		60.79%

A review of the data indicates that in the 2009-10 fiscal year, 60 SD/OI students were reported, with 57 having an IEP requirement for transportation service; the two numbers should be identical. The district's cost per mile and cost per pupil varied significantly from year to year. Based on the FCMAT study team's experience and data posted by the CDE, the district's per-pupil cost was higher than that of other school districts. For example, the statewide average cost per pupil in the 2008-09 fiscal year was \$1,520 for HTS and \$6,268 for SD/OI. Saugus' cost per pupil in the same year was \$2,391 for HTS and \$8,402 for SD/OI. In addition, the district's SD/OI cost per pupil increased significantly over the subsequent two years to \$10,978. As previously noted, the state pays for approximately 35% of pupil transportation costs statewide. School districts on average must contribute 65% of the overall cost; Saugus had an overall encroachment that was slightly less than the statewide average in 2009-10 and 2010-11.

Staff members identify bus routes as “regular ed,” “special need” or “severe special need” based on input received from the contracted service provider. The cost for the severe special needs routes are assigned to the SD/OI column on Form TRAN. However, the Student Support Services Department has not had input on this critical determination. Staff indicated that more of the special education students should be categorized as severe; therefore, their costs would be reported in the SD/OI column of Form TRAN. Also, because special education student transportation needs and routes change throughout the year, the determination for proper cost assignment must be regularly reviewed.

In the 2009-10 fiscal year, the district eliminated regular education HTS transportation except for one bus route that serves Bouquet Canyon Road and Lily of the Valley Trailer Park, delivering those students to Highlands Elementary School. The governing board eliminated this bus route for the 2012-13 school year, and this change should save approximately \$62,000 based on the current contract price.

Fuel is purchased in bulk and stored in underground tanks at the transportation facility, a 5,000-gallon diesel tank and a 3,000-gallon gasoline tank. All fuel is paid from the HTS account (resource 7230) regardless of which district department uses it. Fuel use should be tracked and charged to the appropriate departments to ensure that costs are reported accurately for each program.

Interviews indicated that all transportation facility and vehicle repair costs are also being charged to HTS transportation. All pupil transportation costs should be split appropriately between HTS and SD/OI.

Recommendations

The district should:

1. Continue to evaluate the annual per mile and per student costs and determine how they may be improved.
2. Ensure that HTS costs are sufficient to protect its approved state apportionment.
3. Identify HTS and SD/OI students and bus routes appropriately and report the specific data and costs on the Form TRAN per CDE guidelines.
4. Bill fuel costs to the appropriate departments.
5. Distribute all transportation costs reasonably between HTS and SD/OI, including facilities.

Transportation Services Contract

The district's home-to-school and special education transportation are provided under a contract with a for-profit provider, Student Transportation of America, Inc. (STA). The contract term is July 1, 2009 through June 30, 2012. The rates charged for service are increased annually by the Consumer Price Index (CPI) for All Urban Consumers in the Los Angeles-Anaheim-Riverside area for the preceding annual period, July 1 through June 30, and the adjustment is never less than 2% or more than 7%. The district still retains ownership of the buses, and the contractor is allowed to operate from the district's transportation facility. District staff indicated that they are pleased with the responsiveness and dedication of STA staff.

Staff members indicated that an individual was hired part-time on an outside services contract to manage and oversee the agreement with STA; however, the service was terminated approximately two years ago. Since then, no district employee has been assigned overall responsibility for daily oversight of the contractual relationship with STA, and multiple district employees interact with the contractor for various reasons. This condition has created lax oversight of the contract and failure to implement some of the required contractual services. Interviews indicated that oral agreements have supplanted or amended the contract. Best business practices would provide for one district employee to have direct oversight responsibility for the transportation services contract and work in immediate proximity to the transportation facility.

Because no single individual manages the contract with STA, several contract terms have not been consistently followed, including:

- A weekly summary of all late or missed trips that includes the cause of the problem and corrective action taken is to be kept by the contractor; however, these reports are not provided to the district (contract - page 12).
- Copies of drivers' drug and alcohol testing results, copies of the drivers' background check, fingerprint clearance, California Highway Patrol (CHP) vehicle inspection reports, school bus accident information, and driver training information are kept by the contractor; however, no district official has requested to review these documents other than the occasional bus accident report. In the case of preemployment driver requirements, the contract stipulates the driver cannot begin work until the district receives and reviews this information (contract - pages 12-20).
- The contractor provides for the routing and scheduling of service; however, no district employee reviews bus routes for efficiency (contract - page 14).
- After any preventable accident or incident, the driver must receive at least four hours of retraining. No district staff member monitors this requirement (contract - page 19).
- The contractor is to fill specific management and support staff positions. In addition, the contract stipulates a minimum salary for these positions. However, the dispatcher position is not filled, and other staff members, such as the driver instructor, serve in dual roles (contract - pages 21-24).
- Most field trips are to be accomplished with district buses. Since most of the regular education home-to-school routes were eliminated at the beginning of the contract term, the buses have been parked and placed out of service. However, only in-district and local trips that do not conflict with regular routes are provided using district buses. Any trips outside the district that conflict with regular route times are provided with STA buses that come from a yard in North Hollywood. These buses are charged at a higher rate (contract - pages 26-27).

- Liquidated damages are allowed to be charged for items such as late routes or trips or other service problems; however, district staff members indicated that liquidated damages have not been charged in the past two years (contract - pages 27-28).
- A list of weekly vehicle defects and their repairs are required to be recorded by the contractor, but that has not been done in the past two years (contract - page 30).

Contract Billing

The contractor's charges for service are established on a five-hour base rate for different sizes of buses. The rate is \$349.57 for transit buses, \$317.08 for conventional buses and \$246.75 for cutaway buses. Typically, a transit bus holds 84 passengers, a conventional bus holds approximately 66 and a cutaway holds no more than 20. Cutaways are often used for special education routes, and the larger buses are used for regular education routes and field trips. Services provided over the five-hour base rate are reported by the quarter hour and charged at \$31.49 per hour. STA invoices the district weekly for the service provided; however, the invoicing format does not lend itself to accurate auditing. The invoice lumps all buses of each type together, so there may be several bus routes in each category. The invoice also reflects any hours over the base rate for each route and adds them together by bus type. This process should be changed so that the district is able to properly reconcile and audit each invoice.

The district and STA should agree on an established time for each route, and STA should produce a weekly invoice that lists the following information by day for each route: the established route time, the actual route time, the total variance between the two times, and the reason for the variance. The daily bus report forms completed by each driver should be submitted with the invoice, and a district staff member should compare the invoice to the actual source document. Each variance should be reviewed by district staff before approval for payment to determine whether the excess time is to be paid or liquidated damages are to be assessed according to the contract terms.

Interviews indicated that the rates included on the 2011-12 rate schedule include a five-hour base rate, and the over hours summary portion of the weekly invoice appears to be calculated using a five-hour base rate. However, the first two pages of the weekly invoice list the rate for each type of bus, but states it is "per bus for the first four hours." It also appears that the contractor is considering total route hours divided by the number of routes and giving the district credit for routes that are less than five hours per day. For example, four routes served special education students in conventional buses the week ending December 2, 2011. Each route was driven two days during the week, and the hours shown on the invoice are: 5.00, 5.25, 5.25, 5.00, 4.50, 5.25, 5.25, and 4.75. The invoice indicates that the district was charged for .25 hours over the five-hour base for this group of buses, rather than for 1.00 hour over the base if each route were calculated at a minimum of five hours. This is a benefit to the district but is not clearly defined in the contract or on the rate schedule. A sample invoice is attached as Appendix C of this report.

Insurance

The contract requires the contractor to maintain public liability insurance, automobile liability insurance, workers' compensation insurance and employer's liability insurance. District staff members indicated that the district also insures its buses, and that the district's insurance is primary unless an accident is the fault of the contractor. Interviews further indicated that STA does not insure out-of-service buses. It may be duplicative for both entities to insure the vehicles that are in service; therefore, the district should research the matter with its insurance carrier and determine the appropriate insurance coverage.

Cocurricular Trips

The contract requires the contractor to provide service for cocurricular trips that conflict with home-to-school transportation route times based on the number of spare buses/vans and a 10% spare factor. The contract states that trips that do not conflict with route times are to be billed at the rate charged for home-to-school excess hours that are over the base rate. Any other trips may be contracted to STA using its buses and other drivers or to another contractor.

The rate for providing trips in district buses is \$199.42 for a five-hour minimum, with each additional hour charged at \$36.74. Each school is responsible for the field trip charge. In addition, the district charges each school \$1 per mile to cover the cost of fuel and other operational costs. Over time, the field trip procedure has changed and interviews indicated that oral agreements have supplanted contract language. For example, trips that are within the district boundaries or are considered to be local are taken on district buses and charged at the \$199.42 rate. Trips outside the district boundaries are provided by STA's charter division that sends buses from North Hollywood, and the rate is \$350 for the first five hours and \$55 for each additional hour. The trip time is calculated and charged from the applicable school and back to the school, rather than from the contractor's yard in North Hollywood. Each trip should be analyzed prior to approval and scheduling to determine whether the district has enough buses to provide for the nonlocal trips and if so, the potential cost savings.

Out-of-Service Buses

At the beginning of the current contract term, the district eliminated all of its regular education HTS bus service except for one route. At that time, five buses were parked and no longer maintained under the terms of the contract with STA. To retain certification, the California Code of Regulations Title 13, Section 1232 requires that school buses be inspected every 45 calendar days or 3,000 miles, whichever comes first. The district requested that the contractor continue to maintain the out-of-service buses and pays \$52.40 per labor hour plus the cost of parts for this service. Based on the information provided, the contractor completes these inspections more frequently than legally required, often approximately every 30 days. These inspections should be done every 45 days to comply with legal requirements and ensure the lowest cost for the service.

The contract requires STA to maintain district buses, and the contract states that, "Notwithstanding any significant reduction in the District's transportation program, the Contractor shall always maintain all vehicles in a fully operational and fully certified condition." However, the contract has no provision describing what is to occur if the district takes buses out of service, or the number of routes is decreased. It also has no section allowing the contractor to charge additionally for this service.

Staffing

The contract requires specific management and support staff positions to be filled and includes the minimum salary level and the hours that staff must be on duty. However, one of the positions is not filled, and the required hours of operation are not followed.

The contract requires a terminal manager, driver instructor, dispatcher, and bus washer or vehicle washing service to ensure that buses are washed a minimum of once every two weeks. A terminal manager and driver instructor have been assigned to the district, but the driver instructor acts as the dispatcher in the mornings and a cover driver acts as the dispatcher in the afternoon. If the cover driver has to drive a route, the terminal manager acts as the dispatcher. The contract states that, "The Terminal Manager, Driver Instructor, Dispatcher may not be utilized to drive or cover routes or trips." The contractor does not provide a bus washer but uses an outside company to wash buses throughout the year. The buses were clean during FCMAT's visit to the district.

The contract requires that STA staff be on duty from 5:30 a.m. to 5:30 p.m. on all the days that school is in session. Interviews indicated that staff members arrive at approximately 5:45 a.m. and depart at 5 p.m.

Facility and Equipment Use

The contract requires the district to allow the contractor to use all district-owned school buses, provide and maintain two-way radios for the buses, and provide a shop truck for servicing district vehicles. The district also provides the contractor with use of the transportation maintenance garage, the bus parking area, and office, classroom and lounge space. The contractor is not allowed to manage, maintain or park nondistrict buses at the site without district permission. No nondistrict vehicles were on the premises during FCMAT's visit. The district is also to provide the telephone system, and the contractor is to pay for the cost of telephone service. Other utility costs including water, electricity, natural gas and garbage service are to be charged to the contractor based on 80% of the total cost of the facility. However, interviews indicated that only 50% of the utility costs are charged to the contractor.

Considerations for Future Contracts

Education Code Sections 39802 and 39803 state the following regarding the bidding requirements for transportation services:

39802 - In order to procure the service at the lowest possible figure consistent with proper and satisfactory service, the governing board shall, whenever an expenditure of more than ten thousand dollars (\$10,000) is involved, secure bids pursuant to Sections 20111 and 20112 of the Public Contract Code whenever it is contemplated that a contract may be made with a person or corporation other than a common carrier or a municipally owned transit system or a parent or guardian of the pupils to be transported. The governing board may let the contract for the service to other than the lowest bidder.

39803 (a) - If a continuing contract for the furnishing of transportation of pupils in school districts to and from school is made it shall be made for a term not to exceed five years. A contract is renewable at the option of the school district and the party contracting to provide transportation services, jointly, at the end of the term of the contract. The contract as renewed shall include all of the terms and conditions of the previous contract, including any provisions increasing rates based on increased costs.

The contract for transportation services expires on June 30, 2012. The district should conduct a formal bid for transportation service to ensure that it receives the best possible price and service. Because there is not enough time remaining to complete this task before the contract's expiration date, the district should consider extending the current contract for one fiscal year and immediately begin to prepare bid documents so that the bid process may be completed before July 1, 2013. In the future, the district should go to bid for transportation services every three to five years to ensure competitive pricing, best available service and review of contract terms.

When the district develops a new contract for transportation services, the following items should be considered:

- Determine if it is necessary to require specific staff positions and salary levels. Stipulating these items typically increases the cost of the contract.

- Determine if the district should provide its own district-developed bus routing. A contractor generally has no incentive to create efficient routes when the price of the contract is based on each bus route. As an option, the district could have the contractor provide the routing, but establish the contract price on a per-pupil-transported basis. This method serves as a motivation to route more efficiently.
- Use a three-hour base if per-route rates are established with each additional hour billed beyond the base. A standard route time should also be established for each route. This is a standard contract practice and agreement on a standard route time should provide for fewer daily time overages.
- Consider selling the bus fleet to the contractor, requiring professional appraisals of the value of each bus and incorporating a stipulation relative to the maximum bus age allowed for district transportation services. A condition could also be included allowing the district to purchase the buses back at the end of the contract term for their fair value. This may provide for more efficient contract oversight.
- Consider a more formalized agreement on the use of the district's facility, which may include the fair rent value and clearer language relative to the specific areas and use of the facility.
- Consider not purchasing fuel for the contractor's use. The contractor should purchase and use its own fuel and could rent one of the underground tanks for this purpose. This may help the district better monitor fuel usage and control costs.

Recommendations

The district should:

1. Appoint one district employee to oversee and manage the contract with STA.
2. Follow the terms of the existing contract or amend the contract in writing to reflect current practices.
3. Require the contractor to produce a weekly invoice that includes the following information for each route: the established route time, the actual daily route time, the total variance between the two times, and the reason for the variance. The district should also ensure that a district employee is assigned to review the reasons for each reported variance.
4. Ensure that the number of hours included in the base rate is consistently reported on the contractor's weekly invoices.
5. Contact its insurance carrier and determine the appropriate insurance coverage for the buses.
6. Complete an analysis of field trips to determine whether to reinstate district buses to be used for field trips and any potential cost savings.
7. Inspect out-of-service buses on a 45-day calendar, as legally required.

8. Extend the term of the existing contract one fiscal year to allow adequate time to go to bid for transportation services.
9. Bid transportation services every three to five years to ensure competitive pricing, best available service, and review of contract terms.
10. Consider amending the terms of the new contract as discussed above.

Routing Methodology

Pupil transportation service is generally determined by board policy and administrative regulations. The district's Board Policy 3541 states that, "The District will provide transportation for pupils in compliance with state law and regulations. The Superintendent is asked to administer the operation so as to:

- a) Provide for maximum safety of pupils.
- b) Supplement and reinforce desirable pupil behavior patterns.
- c) Assist handicapped pupils appropriately."

As previously discussed, regular education home-to-school transportation is not mandated by law. Typically board policy would include specifically defined criteria articulating eligible areas where transportation service would be provided. The district has no such policy. The district has reduced HTS transportation service in the past, and the governing board has eliminated the service for the 2012-13 school year. If the district decides to reinstate HTS transportation service in the future, a clear policy should be adopted that defines eligibility.

The district provides transportation to special education students as a related service when it is dictated by a student's IEP. The district's Board Policy 3541 and 3541.2 include the details of this requirement; however, the language is outdated, and the policies provided to FCMAT did not include governing board adoption dates.

Thirteen established bus routes serve district students. One is a regular education HTS route, but the district has taken action to eliminate it for the 2012-13 school year. The remaining 12 routes serve approximately 104 special education students that require transportation as provided by their IEPs.

Bus stops have been placed at corner locations that students may walk to if they are able, and other students are required to walk to their neighborhood school site so they can ride the bus to their program location. The district has also implemented a transfer point at Highlands School. According to the federal Individuals with Disabilities Education Act (IDEA), students should be placed in the least-restrictive environment similarly to their nondisabled peers. Having students walk to a corner bus stop or to their local school if they are able is in alignment with this requirement.

These changes have also enhanced bus-routing efficiency. The district serves approximately 8.6 special education students per route, which compares favorably with load factors that FCMAT has observed in school districts with a rural/suburban population density that cover a relatively large geography. The Student Support Services Department reported that ride times for students are shorter this year, and fewer complaints have been received regarding ride times.

In addition to the contract with STA for in-district students, the district also pays the William S. Hart Union High School District to transport some of Saugus Union's special education students to out-of-district and/or nonpublic school sites on buses provided by William S. Hart's contractor, Forsythe Transportation, Inc. However, there is no formal written agreement for this service. The district is invoiced weekly, and the information provided indicates its students are assigned on two to four bus routes, depending on the week. The district pays a percentage of the route cost based on the ratio of its students to the total number of students on the bus. The invoice does not include student names, the programs they attend, the total number of students on the bus or any other information that would allow the district to properly audit the invoices. Based on the sample invoices reviewed by FCMAT, the invoice amounts varied between \$120 to almost \$900 per week from July through December 2011.

At the beginning of each school year, the Student Support Services Department provides a spreadsheet that details the need for transportation services for special education students. The spreadsheet includes the student name, home address, school of attendance, and disability or special equipment needs. STA routes students based on this information, local knowledge regarding traffic patterns and school bell times. Information regarding any subsequent modifications during the school year; such as a change of student address or program location, a deletion of service, or addition of a student, is transmitted by a phone call or e-mail, and the spreadsheet is subsequently updated. Because use of this informal system allows for details to be missed, the district should develop and use a transportation request form that includes all information necessary to provide transportation services. A sample form is attached as Appendix A of this report.

The district has designated four routes as “severe special need” and eight routes as “special need.” As previously discussed, the Student Support Services Department should specifically identify whether students are severe or nonsevere according to the definitions included in Education Code Sections 41850 and 56030.5.

School site bell time separation could yield additional bus route efficiency. If one bus can serve more than one school or program it may enhance bus route efficiency. The district should meet with STA to determine if some minor bell time adjustments could yield additional efficiency.

Recommendations

The district should:

1. Regularly review and update board policies, including Board Policy 3541 and 3541.2.
2. Develop a formal contract with William S. Hart Union High School District for special education students that are transported to out-of-district and/or nonpublic school locations.
3. Request that the William S. Hart Union High School District provide additional detail on transportation services invoices so that they may be properly audited.
4. Develop and use a transportation request form for special education students who require transportation and ensure that it is used for all changes.
5. Identify students as severe or nonsevere based on Education Code definitions.
6. Determine whether bell time changes could yield additional bus route efficiency.

Vehicle Maintenance

The objective criteria that can be used to evaluate a pupil transportation operation's compliance with laws and regulations are included in the California Highway Patrol's safety compliance report/terminal record update, also known as the terminal grade. This report annually evaluates and grades motor vehicle carriers, evaluates the preventive maintenance program and generally includes the inspection of several buses. In addition, the inspection includes the evaluation of driver training records, driver hours of service records, and driver drug and alcohol testing records. The district is the carrier of record, owns the buses and its identifying carrier (CA) number is on the buses. The district has received the highest grade possible, "satisfactory," on the 2011 annual inspection, and this reflects positively on the performance of STA in the listed areas.

Facility

The district's transportation facility is shared between STA and the Maintenance and Operations Department. The facility includes a two-bay shop, but only one of the bays is dedicated to vehicle maintenance. The other bay is used for storage of district equipment. Numerous cargo containers are located at the facility; two are maintained by STA and contain parts for buses and other vehicles. The other containers store district equipment and supplies. A portable classroom building is located on site and is used as office space for Maintenance and Operations Department staff, including the director, the custodial supervisor and an administrative assistant. The shop includes an office used by two maintenance supervisors and another office for the locksmith. The facility is fenced and gated, includes an outside work area for the Maintenance and Operations Department, and is used for storing the department's vehicles and equipment. The areas of the facility used by STA for pupil transportation are neat and clean.

Fuel

Two underground fuel tanks are located at the facility, a 5,000 gallon diesel tank and a 3,000 gallon gasoline tank. The dispensers are controlled by an electronic fuel management system, and a key is assigned to each employee who needs access to fuel. The Maintenance and Operations Department monitors the fuel use and reorders fuel. According to the contract terms, the district pays for all fuel for district-owned vehicles used by STA. The information provided to FCMAT indicates that fuel is ordered through one supplier; however, more competitive pricing may be achieved by requesting quotes from various suppliers for each delivery. Fuel may also be ordered more frequently than necessary. Invoices reflect deliveries of diesel that are often below 2,000 gallons and deliveries of gasoline that are generally below 1,000 gallons. The district could benefit from lower pricing that is generally attained through larger orders.

The district's electronic fuel management system can manage and control fuel usage and produce reports that may provide beneficial management information. However, the system capabilities are not being fully used. As previously noted, all fuel is paid from resource 7230, home-to-school transportation, including fuel used for maintenance and operations purposes and for SD/OI transportation. The system should be used to separate uses by vehicle and assist in charging fuel to the proper accounts.

The district received two propane buses through a grant from the South Coast Air Quality Management District (SCAQMD). The fuel is purchased from a station owned and operated by the William S. Hart Union High School District that is located at its transportation yard. Saugus Union also received some funding from SCAQMD that was used to help construct the station. Saugus and William S. Hart entered into an agreement dated June 1, 2011 that allows Saugus to

fuel its propane buses at the facility. Hart invoices Saugus at the same rate they pay for the fuel. The agreement also requires Saugus to share in the maintenance cost of the fueling station based on the ratio of the number of buses fueled by each party who uses it. To appropriately plan and budget for the propane station maintenance costs, Saugus should work with staff at William S. Hart to determine its share of the cost.

Buses

The district owns 21 school buses and one eight-passenger van that are used to transport students; five of the buses are no longer in service. As previously discussed, these buses are inspected regularly to remain certified, at the district's request. Interviews indicated that the district may be considering selling these buses. Because of the potential for replacement funding, the district should consider keeping the buses and applying for grants to replace them when the opportunity arises. Continuous certification of these school buses is necessary to qualify for future bus replacement grants.

The four oldest buses, among the five that are out of service, include one 1987 coach-type bus, two 1988 coach-type buses and one 1988 van-type bus. The remaining 17 buses (including one of the out-of-service buses) have an average age of approximately 10.5 years. Six of the van-type buses are thirteen to fifteen years old and approaching 200,000 miles. The California Association of School Business Officials (CASBO) School Transportation Performance Profile recommends replacement of van-type buses at seven years and 100,000 miles. Many school districts continue to operate these types of buses up to 15 years and 200,000 miles. However, if the district maintains ownership of the buses, a plan for replacement should be developed and implemented.

The California Air Resources Board has adopted truck and bus regulations that require diesel buses with a gross vehicle weight rating of more than 14,000 pounds to have a diesel particulate filter. Thirty-three percent of the district's buses must be in compliance by January 1, 2012, 66% by January 1, 2013, and the rest by January 1, 2014. While there are some exceptions to the regulation, interviews indicated that the district is in compliance, and 10 buses are outfitted with the filter. Additional information regarding the regulations is attached as Appendix B to this report.

Bus replacement grant funding and funding to install diesel particulate filters (DPF) have been available over time from the SCAQMD and other sources. A recent statewide opportunity for DPF funding was offered through the San Joaquin Valley Air Pollution Control District; however, the district did not apply for this program. The district should ensure that training is provided to staff so that funding opportunities are not overlooked in the future.

Recommendations

The district should:

1. Secure competitive pricing for fuel deliveries, and order in larger quantities.
2. Use the electronic fuel management system to manage fuel use and produce reports needed to charge the correct accounts for fuel.
3. Work with staff at the William S. Hart Union High School District to determine its share of the maintenance costs for the propane fueling station, and include these costs in its budget.

4. Consider keeping the five buses that are no longer in service and applying for grants to replace them when the opportunity arises.
5. Develop and implement a plan to replace the six oldest van-type buses.
6. Ensure that training is provided to staff and apply for bus replacement and DPF grants when funding opportunities are available.

Appendices

- A. Sample Transportation Request Form
- B. California Air Resources Board Regulations
- C. Sample Invoice
- D. Study Agreement

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		YES	
			From	To		
Name of Special Program		Birthdate	Grade			
School		Address		School Phone Number		
YES	NO	FACTORS AFFECTING TRANSPORTATION		EXPLANATIONS		
		CAN WALK TO/FROM A DESIGNATED BUS STOP <input type="checkbox"/> Gated Community/Apartment Complex may not be accessible.				
		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.	

B. California Air Resources Board Regulations

California Environmental Protection Agency | AIR RESOURCES BOARD

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.

C. Sample Invoice

STUDENT TRANSPORTATION OF AMERICA SAUGUS CUSTOMER SERVICE CENTER #39 HOME TO SCHOOL TRANSPORTATION INVOICE & WORKSHEET
--

Invoiced To: SAUGUS UNION SCHOOL DISTRICT 24930 AVENUE STANFORD SANTA CLARITA, CALIFORNIA 91355	Invoiced By: Saugus Customer Service Center #39 STUDENT TRANSPORTATION OF AMERICA 26501 RUETHER AVENUE SAUGUS, CALIFORNIA 91350
---	--

INVOICE NUMBER: 392498
 WEEK ENDING: 12/2/2011
 INVOICE DATE: 12/2/2011

INVOICE TOTAL: \$8,166.71 ✓

SAUGUS REGULAR HOME TO SCHOOL

\$699.14 ✓

① ✓ 2 District transit operated during the week @ \$699.14 ✓
 \$349.57 ✓ per bus for the first four hours
 0 Contractor van operated during the week @ \$0.00
 \$350.00 per bus for the first four hours
 ✓ 0 District Hours over the base @ \$31.49 ✓ \$0.00
 0 Contractor Hours over the base @ \$55.00 \$0.00

SAUGUS DISTRICT SPECIAL EDUCATION- TRANSIT

\$722.76 ✓

② ✓ 2 District transit operated during the wk @ \$699.14 ✓
 \$349.57 ✓ per bus for the first four hours
 0 Contractor van operated during the week @ \$0.00
 \$350.00 per bus for the first four hours
 ✓ 0.75 District Hours over the base @ \$31.49 ✓ \$23.62 ✓
 0 Contractor Hours over the base @ \$55.00 \$0.00

SAUGUS DISTRICT SPECIAL EDUCATION - Conventional

\$2,544.51 ✓

③ ✓ 8 District buses operated during the wk @ \$2,536.64 ✓
 \$317.08 ✓ per bus for the first four hours
 0 Contractor buses operated during the week @ \$0.00
 \$316.80 for the first four hours
 ✓ 0.25 District Hours over the base @ \$31.49 ✓ \$7.87 ✓
 0 Contractor Hours over the base @ \$55.00 \$0.00

SAUGUS DISTRICT SPECIAL EDUCATION - Cut-Away

\$2,036.98 ✓

④ ✓ 8 District buses operated during the wk @ \$1,974.00 ✓
 \$246.75 ✓ per bus for the first four hours
 0 Contractor buses operated during the week @ \$0.00
 \$260.00 for the first four hours
 ✓ 2 District Hours over the base @ \$31.49 ✓ \$62.98 ✓
 0 Contractor Hours over the base @ \$55.00 \$0.00

5304.25

SAUGUS DISTRICT SEVERE SPECIAL EDUCATION - Conventional

✓ 4 District buses operated during the wk @
\$317.08 ✓ per bus for the first four hours

0 Contractor buses operated during the week @
\$316.80 for the first four hours

✓ 6.75 District Hours over the base @ \$31.49 ✓

0 Contractor Hours over the base @ \$55.00

SAUGUS DISTRICT SEVERE SPECIAL EDUCATION - Cut-Away

✓ 2 District buses operated during the wk @
\$246.75 ✓ per bus for the first four hours

0 Contractor buses operated during the week @
\$260.00 for the first four hours

✓ 6 District Hours over the base @ \$31.49 ✓

0 Contractor Hours over the base @ \$55.00

\$1,480.88 ✓

\$1,268.32 ✓

\$0.00

\$2163.32

\$212.56 ✓

\$0.00

\$682.44 ✓

\$493.50 ✓

\$0.00

\$188.94 ✓

\$0.00

HOME TO SCHOOL TRANSPORTATION WORKSHEET

MON TUES WED THURS FRI
11/28/2011 11/29/2011 11/30/2011 12/1/2011 12/2/2011

SAUGUS REGULAR HOME TO SCHOOL

ROUTE ADR

16				4.75	4.75
DIST BUSES	0	0	0	1	1
CONT BUSES	0	0	0	0	0
TOTAL BUSES	0	0	0	1	1

SAUGUS SPECIAL EDUCATION- TRANSIT

ROUTE ADR

18				5.25	5.50
DIST BUSES	0	0	0	1	1
CONT BUSES	0	0	0	0	0
TOTAL BUSES	0	0	0	1	1

SAUGUS DISTRICT SPECIAL EDUCATION - Conventional

ROUTE ADR

12				5.00	4.50
17				5.25	5.25
38				5.25	5.25
39				5.00	4.75
DIST BUSES	0	0	0	4	4
CONT BUSES	0	0	0	0	0
TOTAL BUSES	0	0	0	4	4

SAUGUS DISTRICT SPECIAL EDUCATION - Cut-Away

ROUTE	ADR					
1					6.25	4.00
3					4.75	4.00
8					7.75	5.25
9					4.75	5.25
DIST BUSES		0	0	0	4	4
CONT BUSES		0	0	0	0	0
TOTAL BUSES		0	0	0	4	4

SAUGUS DISTRICT SEVERE SPECIAL EDUCATION - Conventional

ROUTE	ADR					
4					5.00	7.75
7					7.75	6.25
DIST BUSES		0	0	0	2	2
CONT BUSES		0	0	0	0	0
TOTAL BUSES		0	0	0	2	2

SAUGUS DISTRICT SEVERE SPECIAL EDUCATION - Cut-Away

ROUTE	ADR					
37					8.00	8.00
DIST BUSES		0	0	0	1	1
CONT BUSES		0	0	0	0	0
TOTAL BUSES		0	0	0	1	1

OVER HOURS SUMMARY

SAUGUS REGULAR HOME TO SCHOOL

①

BASE HOURS 16
 ACTUAL HOURS
 OVER HOURS SAUGUS

	M	Tu	W	Th	Fr
0	0	0	0	5	5
0	0	0	0	4.75	4.75
0.00	0.00	0.00	0.00	-0.25	-0.25
STA ACTUAL HOURS	0	0	0	0	0
OVER HOURS STA	0	0	0	0	0

SAUGUS DISTRICT SEVERE SPECIAL EDUCATION - TRANSIT

②

BASE HOURS 18
 ACTUAL HOURS
 OVER HOURS SAUGUS

0	0	0	5	5
0	0	0	5.25	5.5
0.00	0.00	0.00	0.25	0.50
STA ACTUAL HOURS	0	0	0	0
OVER HOURS STA	0	0	0	0

SAUGUS DISTRICT SPECIAL EDUCATION - Conventional

③

BASE HOURS 12
 ACTUAL HOURS 17
 OVER HOURS 38
 39

0	0	0	20	20
0	0	0	20.5	19.75
0.00	0.00	0.00	0.50	-0.25
STA ACTUAL HOURS	0	0	0	0
OVER HOURS STA	0	0	0	0

SAUGUS DISTRICT SPECIAL EDUCATION - Cut-Away

④

BASE HOURS 1
 ACTUAL HOURS 3
 OVER HOURS 8
 9

0	0	0	20	20
0.00	0.00	0.00	23.50	18.50
0.00	0.00	0.00	3.50	-1.50
STA ACTUAL HOURS	0	0	0	0
OVER HOURS STA	0	0	0	0

SAUGUS DISTRICT SEVERE SPECIAL EDUCATION - Conventional

⑤

BASE HOURS 4
 ACTUAL HOURS 7
 OVER HOURS

0	0	0	10	10
0	0	0	12.75	14
0.00	0.00	0.00	2.75	4.00
STA ACTUAL HOURS	0	0	0	0
OVER HOURS STA	0	0	0	0

SAUGUS DISTRICT SEVERE SPECIAL EDUCATION - Cut-Away

⑥

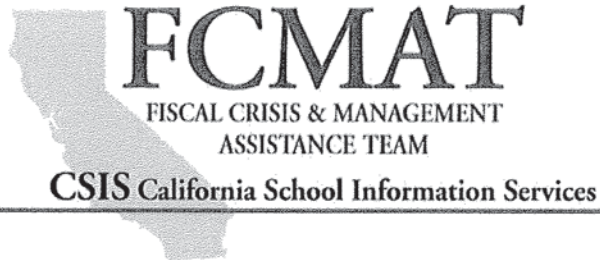
BASE HOURS 37
 ACTUAL HOURS
 OVER HOURS

0	0	0	5	5
0.00	0.00	0.00	8.00	8.00
0.00	0.00	0.00	3.00	3.00
STA ACTUAL HOURS	0	0	0	0
OVER HOURS STA	0	0	0	0

Comments:

Invoice Prepared By: E. RamirezChecked By: 

D. Study Agreement



FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM DRAFT STUDY AGREEMENT December 28, 2011

The FISCAL CRISIS AND MANAGEMENT ASSISTANCE TEAM (FCMAT), hereinafter referred to as the Team, and the Saugus Union 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 Saugus Union 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.

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

2. SCOPE OF THE WORK

A. Scope and Objectives of the Study

The scope and objectives of this study are to:

The Saugus Union School District consisting of grades K-6 is requesting that the FCMAT Team conduct a review of the Transportation Department. The District has fifteen schools with an enrollment of 10,300 students. The district provides student transportation services for home to school and special education through a contracted service provider. The following scope of work is provided:

1. Review the pupil transportation revenue, expenditures and contributions from the district's unrestricted general fund and make recommendations to increase the operational efficiency of the department.

2. Evaluate operational efficiency related to the District's contract service provider for student transportation services and make recommendations for potential cost reductions.
3. Evaluate the transportation department's routing methodologies and efficiency model and make recommendations for improvement.
4. Review the transportation department's vehicle maintenance program including the current status of the vehicle inventory and replacement schedule, and make recommendations for improvement.

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.
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:

<i>A. Diane Branham</i>	<i>FCMAT Fiscal Intervention Specialist</i>
<i>B. Timothy Purvis</i>	<i>FCMAT Consultant</i>
<i>C. Michael G. Rea</i>	<i>FCMAT Consultant</i>
<i>D. Joe Bjerke</i>	<i>FCMAT Consultant</i>

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

4. PROJECT COSTS

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

- A. \$500.00 per day for each Team Member while on site, conducting fieldwork at other locations, preparing and presenting reports, or participating in meetings.
- B. All out-of-pocket expenses, including travel, meals, lodging, etc. The District will be 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 2 A, the total cost of the study is estimated at \$12,500.

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

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

5. RESPONSIBILITIES OF THE DISTRICT

- A. The District will provide office and conference room space while on-site reviews are in progress.
- B. The District will provide the following :
 - 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 and/or completion date of the project.

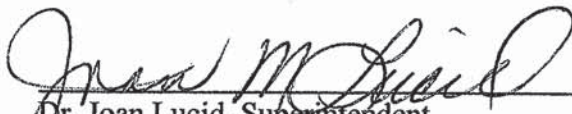
- C. The District Administration will review a preliminary draft copy of the study. Any comments regarding the accuracy of the data presented in the report or the practicability of the recommendations will be reviewed with the Team prior to completion of the final report.

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).

6. **PROJECT SCHEDULE**

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

<i>Orientation:</i>	<i>February/March 2012 pending board approval</i>
<i>Staff Interviews:</i>	<i>to be determined</i>
<i>Exit Interviews:</i>	<i>to be determined</i>
<i>Preliminary Report Submitted:</i>	<i>to be determined</i>
<i>Final Report Submitted:</i>	<i>to be determined</i>
<i>Board Presentation:</i>	<i>to be determined</i>
<i>Follow-Up Support:</i>	<i>If requested</i>

7. CONTACT PERSONName of contact person: Cynthia Shieh, Assistant Superintendent, BusinessTelephone: (661)294-5300 x5131 FAX: (661) 294-7525E-Mail: cshieh@saugus.k12.ca.us
Dr. Joan Lucid, Superintendent
Saugus Union School District1/9/2012
DateDecember 28, 2011Anthony L. Bridges, CFE
Deputy Executive Officer
Fiscal Crisis and Management Assistance Team

Date

APPROVED BY BOARD

JAN 17 2012

BY: DM