



FCMAT

FISCAL CRISIS & MANAGEMENT
ASSISTANCE TEAM

Travis Unified School District

Special Education and Transportation Review

February 3, 2009



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Kate Wren Gavlak, Superintendent
Travis Unified School District
2751 DeRonde Drive
Fairfield, CA 94533

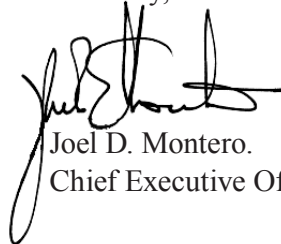
Dear Superintendent Gavlak:

In November 2008, the Travis Unified School District entered into an agreement with the Fiscal Crisis and Management Assistance Team (FCMAT) for a study that would perform the following:

1. Provide a comprehensive review of special education services to determine the efficiency of the special education fiscal program delivery and make recommendations to reduce costs and increase efficiency, based on the following:
 - a. A review of the district process for determining special education services
 - b. A review of staffing ratios and assignments in relation to student's IEPs
 - c. An analysis of the district's general fund contribution for special education
 - d. A review of the nonpublic schools and agency placements and costs
 - e. An analysis and determination of the impact of legal fees
 - f. A review of the district's interdepartmental communication/ processes as it relates to specifically to the Special Education Department
2. Conduct a review of the district's transportation service model for special education pupils to assess the cost/benefit of the district becoming the provider for these services.

FCMAT conducted fieldwork at the district December 15-17, 2008. This report is the result of those activities. Thank you for allowing us to serve you, and please give our regards to all the employees of the Travis Unified School District.

Sincerely,



Joel D. Montero.
Chief Executive Officer

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Foreword

FCMAT Background

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

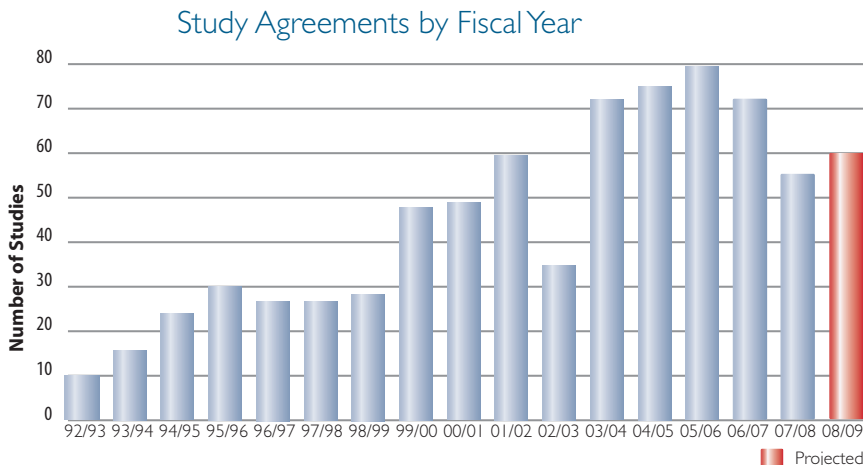
AB 1200 was established from a need to ensure that local educational agencies throughout California were adequately prepared to meet and sustain their financial obligations. AB 1200 is also a statewide plan for county offices of education and school districts to work together on a local level to improve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

Since 1992, FCMAT has been engaged to perform nearly 700 reviews for local educational agencies, including school districts, county offices of education, charter schools and community colleges. Services range from fiscal crisis intervention to management review and assistance. FCMAT also provides professional development training. The Kern County Superintendent of Schools is the administrative agent for FCMAT. The agency is guided under the leadership of Joel D. Montero, Chief Executive Officer, with funding derived through appropriations in the state budget and a modest fee schedule for charges to requesting agencies.

Total Number of Studies..... 711
 Total Number of Districts in CA 982

- Management Assistance..... 675 (94.9%)
- Fiscal Crisis/Emergency..... 36 (5.1%)

Note: Some districts had multiple studies.
 ● Districts (7) that have received emergency loans from the state.
 (Rev. 7/30/08)



Introduction

The Travis Unified School District is located in Solano County and provides academic programs and instruction to students in portions of the cities of Vacaville and Fairfield as well as the unincorporated portions of Solano County and the Travis Air Force Base. The district serves 5,299 students enrolled in five elementary schools, one middle school, one comprehensive high school, one continuation high school and one community day school.

Throughout the state, county and district, superintendents, school principals and general educators are playing a larger and more significant role in special education for several reasons. These include ensuring that all students receive an effective free appropriate public education (FAPE) and that school agencies monitor the level of contributions from the general funds. The current state budget crisis requires all districts to evaluate program efficiency at all levels, including those for special education services.

In October 2008, the Fiscal Crisis and Management Assistance Team (FCMAT) received a request from the district for a review of its special education and transportation programs. The study agreement specifies that FCMAT will complete the following:

1. Provide a comprehensive review of special education services to determine the efficiency of the special education fiscal / program delivery and make recommendations to reduce costs and increase efficiency, based on the following:
 - a. A review of the district process for determining special education services
 - b. A review of staffing ratios and assignments in relation to student's IEPs
 - c. An analysis of the district's general fund contribution for special education
 - d. A review of the nonpublic schools and agency placements and costs
 - e. An analysis and determination of the impact of legal fees
 - f. A review of the district's interdepartmental communication/ processes as it relates to specifically to the Special Education Department
2. Conduct a review of the district's transportation service model for special education pupils to assess the cost/benefit of the district becoming the provider for these services.

Study Team

The study team was composed of the following members:

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

Study Guidelines

FCMAT visited the district on December 15- 17, 2008 to observe and evaluate the district's special education services and the transportation of special education students. This report is the result of those activities and is divided into the following sections:

- Special Education
- Transportation

Executive Summary

In recent years, the Travis Unified School District has made efforts to maintain fiscal solvency with declining fiscal resources. The Solano County Office of Education (SCOE) has supported and worked closely with the district in these efforts, including the assignment of a fiscal advisor to help the district maintain a balanced budget.

The district is experiencing declining enrollment and has declined by more than 51 students in the last three years. Because California school districts are funded on a per-pupil basis, decreasing enrollment can be fiscally devastating. These enrollment declines can lead to higher per-pupil costs; increases in combination classes; reduced flexibility of student assignment; the inability to recruit and retain qualified staff; higher administrative turnover; curtailment of inadequately funded transportation services; and elimination or reduction of counseling, nursing, or psychological services.

Despite this districtwide enrollment trend, Travis Unified's special education pupil count has increased, primarily because of a rise in the identification of autistic children. In continuing its efforts to review fiscal and program efficiency, Travis Unified requested a study to review the special education delivery system and conduct an analysis to determine whether the district can provide special education transportation services internally instead of contracting with the county office.

Districts can help with cost containment strategies by maintaining effective staff-to-student teaching ratios and ensuring they do not overidentify students for special education. Ten percent of Travis Unified students are served in special education programs, which is 1.5% less than the statewide average of 11.5 %.

Staffing should be maximized whenever possible and in conjunction with an analysis of each program. Program specialist, occupational therapist, school psychologist and administrative positions in the district are staffed at a lower ratio than at comparable size districts. The district should review all staffing ratios and make necessary adjustments based on statewide averages.

The number of district students placed in nonpublic schools through the IEP process has decreased during the past three years; however, the average cost per student has continued to increase. This increase is due to the specific types of placements, intensity of services needed and increases in yearly tuition rates. The district should assume a proactive role in the Special Education Local Plan Area (SELPA) and participate in the negotiation of tuition rates. Taking a more active role also will help contain costs and ensure the district holds the SELPA accountable for fiscal decisions that affect the district.

The district's general fund supports more than 50% of the special education budget compared with the statewide average of 28%. Any attempts to reduce the contribution to special education from the general fund should meet federal maintenance-of-effort requirements. The district should explore additional fiscal resources such as Medi-Cal Administrative Activities (MAA) reimbursements and make the necessary staffing adjustments to reduce the contribution of the general fund to special education.

According to the SELPA plan, the district receives transportation services from the Solano county office for 16 special education students. Costs for this service increased in the 2008-09 school year because a neighboring district withdrew from the county office transportation cooperative, reducing the overall number of students transported. As a result, the district is exploring the costs and benefits of transporting these students instead of contracting for services.

The district should officially notify the Upper Solano County Special Education Local Plan Area (SELPA) and the Solano County Office by December 31, 2008 of its intention to assume responsibility for transporting the 16 district special education students attending regional programs served by county office buses.

If the district determines it is cost-effective to provide transportation to these 16 students, it will need to hire three additional employees to drive the additional routes. Although FCMAT did not perform a route study, these routes could probably be driven using less than five hours of paid time per day. These drivers would likely work on a different calendar than the district since they would transport to programs outside the district. In some cases, the drivers would also transport to programs in more than one district, perhaps requiring more than 180 days of work. A complete cost analysis is required, and the district should discuss these issues with the county office. The county office may consider making necessary adjustments to its transportation costs to continue services to the district.

To transport the 16 special education students served by the county office, Travis Unified would also need at least three additional vehicles. If the district exercised this option, it should purchase two wheelchair-equipped, "cutaway" buses and a passenger van. Cutaway buses typically consist of Ford, GM or Chevrolet van chassis attached to small school bus bodies. Diesel-powered wheelchair-equipped units with full air conditioning cost approximately \$75,000 each, including tax. Both cutaway buses should be equipped with wheelchair lifts to maximize flexibility of use and meet potential future needs.

Special education school buses are generally in high demand, and stock units are often unavailable at the dealer. The vehicles can take six months to be ordered and delivered, but because of the slowing economy, at least one school bus dealer indicated there is stock available.

A cost analysis performed by FCMAT estimated that the overall annual cost to transport the 16 students currently served by the county office would be approximately \$205,998. Based on the SELPA's new excess cost estimate, it could cost the district more than the county office to transport these students.

In deciding whether to provide transportation for these 16 students, the district will need to consider the advantages and disadvantages noted in this report as well as the overall effects to the district and its students.

Findings and Recommendations

Special Education

Process for Determining Special Education Services

The Travis Unified School District has clearly defined procedures for the Student Study Team process, including the requirement of providing early intervention before formal evaluation for special education. These written procedures are available to all staff members in the Special Education Procedural Manual, training is provided, and the process is well articulated by the district staff.

The district has implemented a Response to Intervention (RTI) model designed to provide students with early intervention in general education before they are identified for special education. The interventions and delivery models differ from school to school, but consistently rely on the special education staff as service providers for general education students. The district should be commended for its efforts to implement an RTI model; however, it is not cost effective to use special education staff for primary intervention. The district should consider using dual funding from general education and special education so that Resource Specialist Program (RSP) teachers can provide RTI services in general education.

Analyzing the identification trends in the California Special Education Management Information system (CASEMIS) report is an effective method of determining whether a district is overidentifying students for special education. This report is produced and submitted annually to the California Department of Education through the Solano County Special Education Local Plan Area. The data presented in Table 1 indicates that average identification rates in Travis Unified are less than those in Solano County and the state as a whole.

Table 1 - CASEMIS Data Comparison of Percentage of Students in Special Education (K-12)

School Year	Travis Unified	Solano County	State
2005-06	10.3%	11.2%	11%
2006-07	10%	11.1%	12%
2007-08	10%	12%	12%

There is no indication that the district overidentifies students for special education at the K-12 level; however, implementing best practices in Response to Intervention should prompt a decrease in identified students over time. The district percentage of students identified for special education has not decreased in the last three years. This could be affected by significant changes in disability areas in the student population, weaknesses in RTI strategies or both. The district should have established criteria to measure the effectiveness of the RTI program and document the reduction in need for special education services.

Clear and significant growth in the area of autism has increased the special education identification rate in Travis Unified to a higher percentage than either Solano County or the state (Table 2).

Table 2 - CASEMIS Data Comparison of Percentage of Students with Autism

School Year	Travis Unified	Solano County	State
2005-06	6.4% (39 students)	4.4%	5%
2006-07	6.5% (37 students)	5.2%	6%
2007-08	8.4% (47 students)	6.4%	6.8%

The district staff indicated that the high incidence of autism can be attributed to the district's close proximity to Travis Air Force Base, the David Grant USAF Medical Center and the Exceptional Family Medical Program. There is a perception that more military families are requesting an assignment to Travis Air Force Base to access programs and services for their autistic children, however, no data is available to verify this undocumented perception. The district should collect data on the incidence of autism and determine age level trends as well as the reason for the significant increase during the 2007-08 school year. This information is critical to implementing efficient program options and services.

The district maintains a higher percentage of students identified for speech and language than the county and state (Table 3).

Table 3 - CASEMIS Data Comparison of Students Identified with Speech and Language Disorders

School Year	Travis Unified	Solano County	State
2005-06	43.4% (209 students)	28%	27.4%
2006-07	41.2% (188 students)	28.4%	26.2%
2007-08	37.4% (198 students)	29.1%	26%

The district's procedures manual for special education does not include criteria for determining eligibility for speech and language services. The district should closely review this criteria and transfer students from speech and language services to other special education services as necessary. This area should be closely monitored during the current school year.

Recommendations

The district should:

1. Review the intervention options and strategies for the Response to Intervention model, establish success indicators and evaluate effectiveness annually.
2. Consider changing the account coding for Resource Specialists to reflect how services are actually being provided. This should include the special education coding for special education services and the general education coding for general education RTI services.

3. Collect data on autistic students and determine the impact of the newly identified students from Travis Air Force base or David Grant USAF Medical Center.
4. Review and consistently monitor the identification criteria and process used by the district to assess students with autism.
5. Conduct an audit of IEPs for all students identified as speech and language impaired, and determine the reasons for the high percentage of students identified for special education services in this area.
6. Develop specific criteria for eligibility for speech and language services and confer with other districts in the Solano County SELPA for possible assistance in this area.

Staffing Ratios

The district maintains a high administrative support ratio in the Education Services Department. This includes a full-time Director of Special Education whose sole responsibility is supervising the special education program, which has 556 students. In addition, the district maintains 1.5 FTE additional administrators in Education Services to manage its pupil personnel responsibilities. The practice in many small districts is to assign the responsibilities of special education and pupil services to one position. If the district reconfigured the administrative functions in Education Services, it could eliminate at least one administrative position at an annual cost savings of \$109,148 and maintain an efficient level of administrative support for both special education and pupil services.

The statewide average for program specialist staffing is 1,021 special education students (ages 0-22) per program specialist (School Services of California, 2007). The district maintains 2 FTE program specialists with an average staffing ratio of 278 students per program specialist. These services are also available from the Solano County SELPA at no additional cost. The district is overstaffed at the program specialist position based on comparable data. If the district reconfigured the services and duties of the program specialists and aligned these services with statewide staffing patterns, it could eliminate at least 1.5 program specialist positions at a cost savings of \$115, 627.

The average caseload for the district's Occupational Therapists (OT) is 25.5 to 1. Additional job duties of the management level OTs include supervising and evaluating 10 one-to-one aides and providing individual support to students. Direct OT service delivery caseloads are reportedly low because of the district's integrated/collaborative OT delivery model, which aims at providing consultative support to classrooms without adding individual services to student IEPs.

The district's certificated collective bargaining contract clearly defines caseloads for the special education staff, which limits the district's ability to staff at levels consistent with the guidelines used by other districts. In most areas, the district does not operate at the maximum caseload capacity defined in the contract. Examples include the following:

- The contract's caseload limit for Resource Specialists is 28 to 1. The average caseload for RSP teachers at Travis Unified is 18 to 1, with the balance of caseloads composed of general education students supported by the resource specialist and charged to special education.
- The caseload for special day class (SDC) is capped at 14 to 1. The average caseload for district SDCs is 10 to 1.
- The caseload for speech and language specialists is capped at 55 to 1. The district average is 45 to 1.
- The ratio of psychologists at Travis Unified is 1:1,000 students; however, the statewide standard as reported by California Basic Education Data System (CBEDS) was 1:1,326 students in the 2007-08 fiscal year.

All staffing ratios should be maximized to levels consistent with collective bargaining contract guidelines. This could help the district eliminate one speech and language specialist position at an annual savings of \$63,457. If special day class sizes remain constant by February, the district could discontinue one class in mid-year 2008-09 at a cost savings of \$53,228. The district could also exercise its contractual option to increase the psychologists' caseloads to the level used by other districts throughout the state because of the current economic crisis. This could save the district an additional \$76,880 annually.

The district operates a comprehensive sequence of programs and services for students with autism spectrum disorders (ASD) based on industry best practices and autism research. The state has provided no guidance on appropriate staffing and service levels for this complex disability area. The Structured Classroom for Intensive Learning (SCIL) addresses the intensive program needs of preschool students and operates with a higher support ratio than found in other districts in the state. School Services of California, Inc. (SSC) lists the statewide ratio for ASD classes at eight students per teacher with two classified instructional aides. Travis Unified operates ASD classes with eight students per teacher including five instructional aides and provides 8-10 hours of Behavior Support Specialist services for each student per month.

The district's intensive ASD preschool class (SCIL) at Travis Elementary has one teacher and two instructional assistants consistent with the recommendations of School Services of California, Inc. However the district has three aides who provide the in-home program component of the SCIL classroom, which generates significant additional revenue to the district as a bill-back of a projected \$70,000 to the SELPA for this school year.

The program provides early educational interventions to decrease the need for intensive services in the future. FCMAT did not review any data that measures program effectiveness. Intensive needs in the area of autism prompt all districts to develop appropriate programs and services; however, it is critical to provide staffing at an appropriate level and measure the effectiveness of programs/services at least annually. The district should establish academic data points to measure program effectiveness and efficiency in all classes for autistic students.

Recommendations

The district should:

1. Consider reconfiguring the Education Services Department's administrative support ratio to include a combination of duties for the Directors of Special Education and Pupil Services. The district should implement necessary staff reductions and cost savings for 1 FTE position.
2. Consider aligning the level of program specialist support to maintain a ratio of one program specialist per 1,021 students. The district should also implement necessary staff reductions to achieve cost savings.
3. Explore options for accessing the services of the SELPA program specialist more consistently.
4. Review caseloads and the service delivery model for occupational therapy by examining the duties of this assignment, determining the appropriate caseload and reducing the staff if possible.
5. Implement all caseload guidelines outlined in the certificated contract at maximum levels.
6. Implement necessary staff reductions and cost savings for both certificated and classified positions.
7. Consider increasing the caseload for psychologists to align with statewide ratio of one psychologist per 1,328 students. The district should also implement necessary staff reductions to achieve cost savings.
8. Collect and review data to evaluate the degree to which preschool students enrolled in the SCIL program have a reduced need for more intensive services as they advance in grade levels. This data should be collected annually.

General Fund Contribution for Special Education

The district's overall unrestricted general fund contribution for special education has increased by 58% since 2004. The statewide average reported by SSC was 28% over the same time period.

Table 4 - Increase in General Fund Contribution

School Year	General Fund Expenditures	Special Education Expenditures	General Fund Contribution
2007-08	\$44,058,363	\$5,641,258	\$3,116.683
2008-09	\$43,858,776	\$6,280,718	\$3,719.759

Table 5 - General Fund Contributions for Solano County Districts, 2007-08

School Year	General Fund Contribution	Percentage of District Budget
Travis	\$3,100,000	58%
Benicia Unified	\$1,832,143	50.91%
Fairfield-Suisan Unified	\$7,655,305	44.07%
Vacaville Unified	\$8,867,735	58.92%
Vallejo Unified	\$3,352,111	13.05%

District costs for 2008-09 rose because of a \$255,000 increase in the cost of transporting students by Solano County Office of Education, a \$100,000 increase in excess costs for county office services (nursing and physical therapy) and a \$245,000 increase in staffing along with statutory salary costs for step-and-class increases. The district's overall general fund contribution is significantly higher than that of similar districts and should be carefully reviewed and evaluated during annual budget development.

Travis Unified does not utilize some fiscal resources that could benefit the district. It does not bill for Medi-Cal or Medi-Cal Administrative Activities (MAA) reimbursements. Several years ago, the district determined that it had insufficient numbers of eligible students to warrant participating in either of these funding sources. However, every possible resource should be utilized to improve the current financial situation. The district should evaluate eligibility for these reimbursements annually. Other districts in the Solano County SELPA contract with an outside company to process Medi-Cal and MAA bills and can serve as resources to assist with establishing eligibility and claims submission.

Recommendations

The district should:

1. Carefully review increases in excess costs for county office services and transportation to reduce their continued impact on the general fund contribution.
2. Review current data for 2008-09 enrollment and determine whether the district is eligible for reimbursements through Medi-Cal or MAA billing.
3. Establish a review process to determine eligibility for Medi-Cal or MAA on an annual basis.

4. If eligibility is established, contact the SELPA to determine which companies are under contract with the SELPA to process the administrative functions of Medical and MAA billing and solicit bills for review.
5. Begin billing as soon as possible to maximize funds.
6. Continue monitoring comparisons with other districts in Solano County and have discussions with the SELPA and county office regarding maintenance of effort and special education fund distribution.

Nonpublic Schools and Agency Costs

Because of the fiscal impact of programs and services provided outside the district, the scope point included in the original FCMAT study agreement was expanded to include a review of the costs of county office programs/services and regionalized programs/services in addition to the nonpublic schools and agency costs.

The number of district students placed in nonpublic schools through the IEP process has decreased over the past three years; however, the average cost per student has continued to increase in the past year. The increase was reportedly due to changes in the specific types of placements, intensity of services and the addition of a new support service at one NPS. The Solano County SELPA negotiates and monitors all nonpublic school and agency contracts. These costs can significantly affect the district's general fund. When the costs per student increase significantly in a school year, it is critical for the district to understand why and help develop the contract to further contain escalating costs. The district should consider taking a more active role in the SELPA in the rate negotiation process.

Table 6 - Analysis of Costs for Nonpublic Schools

School Year	Students in NPS	Cost of Placement	Cost per Student
2006-07	9	\$168,754	\$18,750
2007-08	8	\$188,866	\$23,608
2008-09	5	\$118,040 (Projected)	\$23,608

The Solano County SELPA provides financial support for nonpublic schools/agency costs to member districts through the use of a SELPA pool. The percentage of revenue received by the district is based on the overall use of the pool by member districts. The SELPA also provides for related services such as county office physical therapist services, in-home services for students with autism and, during 2007-08, a related services coordinator, but this is no longer funded for 2008-09. The cost of the physical therapist is based on the percentage of the district's usage while in-home program costs reflect actual district costs. The cost for the related services coordinator is based on a percentage of the salary through a SELPA formula. For the 2007-08 fiscal year, the district received

\$180,788 from the SELPA pool for expenses totaling \$386,850. When compared to two other small districts in the SELPA, the district's percentage of reimbursement was similar and not disproportionate. The district has higher costs for in-home programs for autistic students because it has an incidence rate that is 2% more than other comparable districts in the county and also because of high-cost services provided to the student.

Table 7 - Comparison of Solano County SELPA Pool Usage Among Smaller Districts in SELPA

District	Total % of pool usage	% for NPS	% for NPA	% for PT	Actual for In-home paid at 100%
Benicia USD	6.85%	6%	31%	8.49%	\$0
Dixon USD	7.48%	8%	1%	6.6%	\$5,966
Travis USD	7.68%	4%	33%	16.04%	\$62,261

When an appropriate program for the student is unavailable in the district, students are referred to a county office program. The Special Education Department indicates that after a student has been enrolled in a county office program, that entity is responsible for managing each student's IEP. The district is billed for any additional services. The Special Education Department knows which district students receive physical therapy or orientation/mobility services, but not which students served by the county office receive NPA nursing services. The district should take a more active role managing IEPs for its students in county office programs, monitor student progress, approve additional costs for services and develop plans for returning students to district programs if district programs become available.

Recommendations

The district should:

1. Research the reasons for the increase in costs per student for nonpublic schools and agency services and discuss that information at the cabinet level.
2. Take a more active role in the negotiation process for NPS/NPA rate setting.
3. Review student placements in nonpublic schools every six months to determine the need for continued placement and to ensure that the IEP includes a plan to return the student to a district, county or regionalized program.
4. Develop a procedure to review all student placements in county office programs, and attend IEP meetings to determine whether the student's IEP can be implemented in a district program.
5. Develop a procedure that would require district approval of all excess costs/NPA services for students attending a county office program.
6. Develop a procedure that would require IEPs for students in county office programs, including a plan for reducing and/or eliminating excess costs/NPA services as appropriate.

Regionalized Programs

Four elementary and three secondary students attend regionalized classes for emotionally disturbed (ED) students. The SELPA plan allows for services between districts such as Fairfield and Vacaville to serve these students. According to School Services of California (SSC) referenced data, a class with eight ED students should be staffed with one certificated teacher and two classified aides. The Special Education Department indicated that four referrals are being considered for regionalized programs in addition to the seven students currently in those programs.

The projected annual cost to serve seven students in regionalized ED programs for the current fiscal year is \$75,000. This amount does not include the cost of transporting these students to out-of-district programs using county office transportation. Based on the district's average salaries and benefits, hiring a teacher and two aides to serve seven students would cost \$122,000. Additional start-up costs would include the classroom and materials as well as support staff such as a school psychologist or a mental health specialist. Therefore, starting a new program with new staff is not cost effective at this time based upon FCMAT's analysis of district salaries and benefit data.

Another way of developing a district class for ED students would be to use current staffing, including a teacher, two aides, and support staff. The district likely could start an elementary and secondary class composed of students who currently attend a regionalized program and other district students who would benefit from a more structured ED program. This change would require reassigning students to classes that are not operating at the district's maximum class size. The only additional cost would be the classroom and materials, and these should be offset by the reduction in county office transportation costs. The benefits of establishing a district program include the following:

- Achieving \$75,000 in savings from resources currently expended for regionalized programs.
- Increasing ADA by seven students, which are currently served outside the district.
- Reducing county office transportation costs.
- Achieving better control of the students' educational program.
- Developing the ability to serve more students with similar needs.

The Education Code includes specific requirements for districts that develop programs similar to regionalized programs or those operated by the county office. The SELPA may have other requirements.

Recommendations

The district should:

1. Consider establishing a district program for ED students using existing resources.
2. Review all students placed in SDC programs to determine which could be re-assigned to other district special education programs.
3. Review all students placed in regionalized ED classes to determine which students could attend a district ED program, including the additional special education services they would require.
4. Review the sites for appropriate classroom space. The district should begin recruiting/training staff, developing material lists, etc.
5. Begin discussions with the SELPA so that the district can meet state Education Code guidelines as well as any specific SELPA guidelines.

Impact of Legal Fees

The district has reportedly not expended any legal fees for the special education program or held due process hearings in the last two fiscal years. There is a perception that this occurred because the Special Education Department meets all parental requests regarding special education students. However, the department indicates that it has avoided due process hearings and legal problems by maintaining good communication and working relationships with parents to meet student needs. Whatever the reason, effective communication is important and should be maintained to help minimize legal fees.

The SELPA should be the first contact for legal questions. If the SELPA cannot assist the district, the SELPA Director authorizes a contact with a SELPA-contracted attorney. When authorized by the SELPA, attorney fees are apportioned through a SELPA pool. If a district contacts an attorney on its own, SELPA pool funds are not available. In the past two years, the district has not directly contacted an attorney, and all legal assistance has come through the SELPA. Since this may not always be the case, the district may want to set aside some funds as a contingency for attorney fees.

Recommendations

The district should:

1. Set aside funds as a contingency for attorney fees. These attorney fees should come from the general fund to avoid a maintenance-of-effort increase.
2. Continue using the SELPA when legal assistance is needed so that the SELPA pool can be accessed.

3. Continue maintaining good communication and working relationships with the district's families of special education students.
4. Provide business officials, special education directors, and school administrators with training regarding special education issues to avoid misperceptions about how decisions are made for mandated services under IDEA.

Interdepartmental Communication

The district has several cabinet-level administrative positions in the Business and Education Services departments, including the Director of Special Education. In the past, the Director of Special Education reported directly to the Assistant Superintendent for Business on budget issues. Decisions regarding expenditures were made on a case-by-case basis. The district should develop a formal written process for developing, monitoring and managing the special education budget that delineates the organizational responsibilities of each department.

One of the most critical elements in budget development and accounting for expenditures is accurately projecting employee salary and benefit costs. These costs are the largest part of school district budgets, averaging approximately 92% of the unrestricted budget in unified school districts throughout California. A reliable position control system establishes positions by site or department and helps prevent overstaffing by ensuring that staffing levels conform to district-approved formulas and standards. To be effective, the position control system must be integrated with other financial modules such as budget and payroll. Position control functions must be separated to ensure proper internal controls. The controls must ensure that only board-authorized positions are entered into the system, that Human Resources hires only employees authorized by the board, and that the payroll staff pays only employees hired for authorized positions. The proper separation of duties is a key factor in creating strong internal controls and a reliable position control system. The business office should play a significant role in monitoring position control.

Internal controls help ensure efficient operations, reliable financial information and legal compliance. They also help protect the district from material weaknesses, serious errors and fraud. These controls should be in place for any position control system.

Position control has been refined during the current administration, but should continue to be monitored for consistency. All personnel requisitions are processed through the Assistant Superintendent of Education Services and initiated by the Director of Special Education. Once established, positions are managed by the Human Resources Department. The reliability of this process depends on ongoing and effective communication regarding special education funding and program issues and needs.

Recommendations

The district should:

1. Establish a process to develop, monitor and manage the special education budget and expenditures.
2. Maintain effective communication in the cabinet on special education issues. This can be accomplished through a quarterly report on the program and critical areas of need.
3. Continue to refine the position control process for special education staffing by establishing quarterly reviews of staffing between the Special Education, Human Resources and Education Services departments.

Transportation

Student Ridership

The Annual Report of Pupil Transportation (Form TRAN) is an element of the California Department of Education Standardized Account Code Structure (SACS) Financial Reporting Software. Some elements of the report automatically incorporate district financial data, and some must be manually entered by district personnel.

The district owns 16 large buses, which generally can be defined as having a capacity of 78 or 84 passengers, and seven smaller special education buses that seat 16 to 35 students. The 2007-08 TRAN report indicates that 1,809 students are transported on home-to-school bus routes, and 88 of those students require transportation as a related service of their IEPs. These students were transported on 17 buses, including 12 of the larger capacity buses. The TRAN report also indicates that four buses are used to transport 26 severely disabled/orthopedically impaired (SD/OI) students.

Travis Unified contracts with the Solano County Office of Education to transport 16 special education students and requested FCMAT to assist in determining the costs and benefits of transporting these students instead of contracting for services.

In 2001, the Upper Solano County SELPA contracted with FCMAT to study the county's special education transportation model and make recommendations regarding the efficiency and cost effectiveness of service delivery. At that time, FCMAT recommended that the district transport special education students attending programs in their district of residence, and the county office transport students attending programs outside the district or county. Travis Unified has taken a proactive action to transport all the special education students who reside and attend programs in the district. This fiscal year, the Fairfield Unified School District began transporting all students who attend programs in their district. This action transferred 183 students to district buses, leaving only 69 on county office routes. As a result, county office route efficiency decreased from 11 to 5.3 average riders per route, increasing and distributing the proportional cost to the remaining transportation system users.

This analysis reviews a single point in time based on the data gathered during FCMAT's fieldwork. Populations, placements, program locations, bell times and needs regarding special education students change frequently. Therefore, transportation requirements and cost can increase or decrease over time depending on the variables that are reviewed and evaluated.

According to information discussed at the SELPA Finance Committee Meeting on December 17, 2008, Section 25 of the SELPA Local Plan provides for the member districts to transport students within their boundaries and the county office to transport students who attend programs outside these boundaries. However, transporting students

who live outside district boundaries would require a revision of the SELPA Plan. This can be accomplished by the SELPA membership through its multidistrict governance by making an amendment and filing the appropriate paperwork with the California Department of Education.

To transfer the responsibility for transporting the 16 students currently served by the county office, the district would be required to notify the Upper Solano County SELPA and the Solano County Office of Education by December 31, 2008 and provide a secondary notification by April 15, 2009. This will provide the district with sufficient time to explore alternative options in serving and transporting these students.

Recommendation

The district should:

1. Officially notify the Upper Solano County SELPA and the Solano County Office of Education by December 31, 2008 of its intention to transport the 16 district special education currently served by county office buses.

Routing and Staffing

FCMAT analyzed the district's data on the 16 students currently transported by the county office, including addresses, bell schedules and school placements. This analysis indicates that three additional routes and vehicles would be necessary for the district to serve these students. Two students attend Vacaville High School, and three others using wheelchairs attend Will C. Wood School, comprising one route. Three students attend Larsen School, and five attend Sierra Vista School (two with nurse aides), comprising a second route. The third route would serve three students who attend Armijo High School, Cordelia Hills and David Weir elementary schools. Two of those routes would use school buses, but the third route could be completed with another vehicle.

The district would need to hire three additional employees to drive these routes. Although FCMAT did not perform a route study, industry standards indicate that these routes could probably be driven using less than five hours of paid time per day. Drivers would likely work on a different calendar than the district since they would transport to programs outside the district. In some cases, the drivers would also transport to programs in more than one district, perhaps requiring more than 180 days of work.

The Transportation Department's administrative structure includes a classified Lead Driver who is supervised by the Assistant Superintendent of Business and Operations. The Lead Driver reportedly creates bus routes, dispatches, acts as the only Driver Instructor, coordinates work with the vehicle maintenance technicians, responds to parent inquiries and generally oversees the department. The Lead Driver is a long-time district

employee and has a great deal of knowledge regarding the district and its transportation operation. This employee is also very knowledgeable regarding transportation laws and regulations. Another driver assists in the office processing bus passes when needed. There is a great deal of camaraderie and cooperation in the Transportation Department, with drivers assisting to answer phones, dispatch and substitute for each other while on the road.

The Lead Driver indicated she could take on the responsibility of transporting additional students. However, the district should consider creating a supervisory or management position to oversee the Transportation Department. A transportation department the size of Travis Unified's typically has additional staffing to support needed functions. For example, the Petaluma Joint Union High School District and the Petaluma Elementary School District share a department of similar size and have a full-time Transportation Director, a Driver Instructor and a Secretary/Clerk/Dispatcher. The Sonoma Valley Unified School District's Transportation Department has a full-time Transportation Supervisor and a Driver Instructor overseen by a Management, Operations and Transportation (MOT) Director. Sonoma Valley Unified's staffing was recently reduced to a half-time Supervisor and half-time Driver Instructor supervised by the full-time MOT Director. Travis Unified's Transportation Department needs some level of management oversight and succession planning.

Table 8 – Transportation Management Staffing Comparison

Travis Unified	Petaluma Joint Union	Sonoma Valley Unified
One Lead Driver	One Supervisor	One part-time Supervisor
	One Driver-Instructor	One part-time Driver-Instructor
	One Dispatcher	

Recommendation

The district should:

1. Evaluate Transportation Department's staffing needs if the district takes responsibility for transporting all of its special education students. This should include the potential hiring of three drivers and the need for additional local supervisory oversight for the department.

Fleet Analysis and Vehicle Needs

The district owns 16 large buses and seven small ones, including four large buses and three small ones used as spares. The large spare vehicles also provide transportation for field and athletic trips that conflict with regular route times, and replace regular buses that are undergoing maintenance.

The district is pursuing a grant from the local air quality district to replace its oldest Coach buses, a 1982 vehicle and two 1986 vehicles. The oldest special education buses, a 1985 vehicle and two 1990 vehicles, are becoming mechanically unreliable and are used only for short-mileage coverage. A list of the district's fleet inventory is attached as Appendix A to this report.

To transport the 16 special education students served by the county office, Travis Unified would need at least three additional vehicles. If the district exercised this option, it should purchase two wheelchair-equipped "cutaway" buses and a passenger van. Cutaway buses typically consist of Ford, GM or Chevrolet van chassis attached to small school bus bodies. Diesel-powered wheelchair-equipped units with full air conditioning cost approximately \$75,000 each, including tax. Both cutaway buses should be equipped with wheelchair lifts to maximize flexibility of use and meet potential future needs. Because special education school buses are generally in high demand, stock units are often unavailable at the dealer. The vehicles can take six months to be ordered and delivered, but because of the slowing economy, at least one school bus dealer indicated there is stock available.

The third vehicle should be more substantial than a minivan, perhaps an eight-passenger Ford or Chevrolet. These units are typically sturdier, provide longer, more reliable service, and cost approximately \$25,000 each including tax.

Section 545 of the California Vehicle Code allows students to be transported in vehicles designed for no more than nine passengers and a driver instead of a bus. However, a van transporting students should be subject to the same vehicle maintenance requirements as school buses, and drivers should receive similar training as well as testing for the presence of drugs and alcohol.

Recommendations

The district should:

1. Evaluate the district's overall fleet needs, pursue bus replacement grants as available and evaluate the district's ability to replace buses.
2. Evaluate the district's need to purchase additional buses based on an analysis of the possibility of transporting the special education students currently served by the county office.

Cost to Transport Remaining Students

A September 23, 2008 county office estimate of special education transportation excess costs indicated that for the 2008-09 school year, the district would be charged \$254,922 for the county office transportation of 16 district special education students. For the 2007-08 school year, Travis Unified received a credit of \$35,816 back from the county

office. This amounts to a net expected increase of \$290,738 or \$18,171 per student. At a December 17, 2008 SELPA Finance Committee Meeting, the estimated excess cost was revised to \$186,910.

District drivers at step one of the bus driver salary schedule are paid \$15.40 per hour. If they receive benefits that cost an estimated 40% of salary, the cost is \$6.14 per hour or approximately \$552 per month for 12 months. Assuming a six-hour-per-day contract, each driver would cost the district \$29,916 annually, and three new drivers would cost \$89,748.

Assuming placement at step one each district bus travels 12,000 miles per year with an average operational cost of \$2.50 per mile for expenses such as fuel, maintenance, parts and tires, each new bus would cost the district \$30,000 per year to operate. Purchasing two wheelchair-equipped buses would cost \$75,000 each, and a van would cost \$25,000 for a total capital price of \$175,000. Assuming the district enters a seven-year lease-purchase agreement with 5% interest, the annual cost to lease-purchase all three vehicles would be \$26,250.

As shown in the following table, the conservative overall annual cost to transport the 16 students currently served by the county office would be \$205,998. With the SELPA's new excess cost estimate, it could cost the district more than the county office to transport these students.

Table 9 - Annual Transportation Cost Estimates

Driver salaries and benefits	\$89,748
Vehicle Operational Costs	\$90,000
Vehicle Lease-Purchase Costs	\$26,250
Total	\$205,998
Excess Cost through the county office	\$186,910
Difference	\$19,088

The excess cost will likely increase in the future based on historical data. Discussions at the SELPA Finance Committee meeting indicated that the county office transports seven Vacaville Unified School District students who attend programs in their district. The SELPA policy indicates that Vacaville Unified should take responsibility for transporting these students. There is also a possibility that several Fairfield-Suisun Unified School District students who attend a program for the deaf and hard of hearing in Vallejo may be transferred to a proposed class within district boundaries. If both districts assume responsibility for their students, as many as a 12 pupils may be transferred from county office bus routes, making these routes even less efficient and increasing excess costs for the remaining districts continuing to receive county transportation services.

School districts throughout the state have taken responsibility for transporting their own special education students, even if this results in slightly higher expenditures. Reasons include increased flexibility, quicker responses to current and future transportation needs, perceived increases in quality of service, better projections and control of transportation costs and an increased ability to maintain a continuum of educational services needs. Despite the financial disadvantages, Travis Unified may have other reasons to provide transportation services for all its special education students.

The current SELPA formula for distributing special education transportation revenue and expenses allocates revenue by a ratio of district ADA to the total. This formula also allocates expenses by a ratio of special education students transported by the county office to the total. As long as this formula remains in effect, Travis Unified benefits from reducing or eliminating the number of its special education students that are transported by the county office.

Another option is for the district to assume permanent responsibility for transporting all its special education students and negotiating with the county office to complete a J141 T form, which would transfer a fair share of the revenue back to Travis Unified.

Recommendations

The district should:

1. Explore the possibility of hiring drivers, purchasing buses and taking responsibility for transporting all district special education students.
2. Explore the possibility of permanently transferring a fair share of the special education transportation revenue from the county office to Travis Unified. The distribution of revenue by percentage of annual ADA was approved by the council of superintendents and is part of the formula to distribute next excess costs to districts.

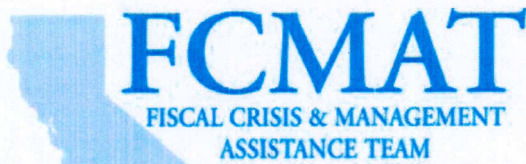
Appendices

A: District Fleet Inventory

B: Study Agreement

**Travis Unified School District 2008
Fleet List**

BUS #	YEAR	MAKE	VJN#
06	1985	Chevrolet W/C	1 GBKP32MF3317649
12	1982	Thomas 74 pass.	1T7C4A464B1897569
14	1986	Dodge Van	2B7KB3319GK561 024
15	1986	Gillig 78 pass.	15GAC0413G 1030024
16	1986	Gillig 78 pass.	15GAC0415GI030025
17	1990	Thomas 84 pass.	1T7C4R86711571787
18	1990	Thomas 84 pass.	1T7C4R89XL112810
19	1991	Thomas 84 pass.	1T75U4B27MI097720
20	1991	Thomas 84 pass.	IT75V948M1459773
21	1993	Thomas 20 pass w/c	1HVBDZRKIPH531946
22	1990	Intl 30 pass. w/c	1 HVBBNEM4MH307555
23	1990	Intl 30 pass. w/c	1HVBBNEM9MH307552
24	1996	Thomas 84 pass.	IT75U4B27T1141651
25	1998	Thomas 84 pass.	1T75T4B28X1167331
26	2000	Bluebird 84 pass.	1BABNBXA51 F096253
27	2001	Bluebird 84 pass.	1BABNBXA 71 F096254
28	2001	Thomas 84 pass.	1T7HT 4821112998
29	1995	Intl 24 pass. w/c	IHVBBAAAM7SH209518
30	2002	Intl 84 pass.	4DRBJADR73A95 1858
31	2003	Intl 84 pass	4DRBJADR74A966233
32	2004	Intl 39 pass.w/c	4DRUAAL85B975316



CSIS California School Information Services

FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM
STUDY AGREEMENT
November 3, 2008

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

A. Scope and Objectives of the Study

The scope and objectives of this study are to:

1. Provide a comprehensive review of special education services to determine the efficiency of the special education fiscal / program delivery and make recommendations to reduce costs and increase efficiency, based on the following:
 - a. A review of the district process for determining special education services
 - b. A review of staffing ratios and assignments in relation to student's IEPs
 - c. An analysis of the district's general fund contribution for special education
 - d. A review of the Nonpublic Schools and Agency placements and costs
 - e. An analysis and determination of the impact of legal fees
 - f. A review of the district's interdepartmental communication/ processes as it relates to specifically to the Special Education Department

2. Conduct a review of the district's Transportation service model for Special Education pupils to assess the cost/benefit of the district becoming the provider for these services.

B. Services and Products to be Provided

- 1) Orientation Meeting - The Team will conduct an orientation session at the District to brief District management and staff on the procedures of the Team and on the purpose and schedule of the study.
- 2) On-site Review - The Team will conduct on-site meetings at the District office to gather documentation and conduct interviews. The Team will request assistance from the District in setting up interview schedules with staff.
- 3) Progress Reports - The Team will hold an exit meeting at the conclusion of the on-site reviews to inform the District representatives of significant findings and recommendations to that point.
- 4) Exit Letter - The Team will issue an exit letter approximately 10 days after the exit meeting detailing significant findings and recommendations to date and memorializing the topics discussed in the exit meeting.
- 5) Draft Reports - Sufficient copies of a preliminary draft report will be delivered to the District administration for review and comment.
- 6) Final Report - Sufficient copies of the final study report will be delivered to the District following completion of the review.
- 7) Follow-Up Support – Six months after the completion of the study, FCMAT will return to the District, if requested, to confirm the District's progress in implementing the recommendations included in the report, at no costs. Status of the recommendations will be documented to the District in a FCMAT Management Letter.

3. PROJECT PERSONNEL

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

- A. Dr. William Gillaspie, FCMAT Chief Management Analyst
- B. Anne Stone, FCMAT Special Education Consultant
- C. JoAnn Murphy, FCMAT Special Education Consultant
- D. Michael Rea, FCMAT Transportation Consultant
- E. Timothy Purvis, FCMAT Transportation Consultant

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

4. PROJECT COSTS

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

- A. \$500.00 per day for each Team Member, while on site, conducting fieldwork at other locations, preparing and presenting reports, or participating in meetings.
- B. All out-of-pocket expenses, including travel, meals, lodging, etc. Based on the elements noted in section 2 A, the total combined cost of the study for both Special Education program and transportation is estimated at \$17,000. If the two areas were to be reviewed separately and on different dates the estimated cost of the program review is \$11,000. The cost of the transportation review would be estimated at \$9,000. The District will be invoiced at actual costs, with 50% of the estimated cost due following the completion of the on-site review and the remaining amount due upon acceptance of the final report by the District.
- C. Any change to the scope, or if the reviews were scheduled separately 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 (if requested):
 - 1) A map of the local area
 - 2) Existing policies, regulations and prior reports addressing the study request
 - 3) Current organizational charts
 - 4) Current and four (4) prior year's audit reports
 - 5) Any documents requested on a supplemental listing
- C. The District Administration will review a preliminary draft copy of the study. Any comments regarding the accuracy of the data presented in the report or the practicability of the recommendations will be reviewed with the Team prior to completion of the final report.

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

6. PROJECT SCHEDULE

The following schedule outlines the planned completion dates for key study milestones, contingent upon approval of this agreement by the District's Governing Board or authorized designee prior to November 26, 2008:

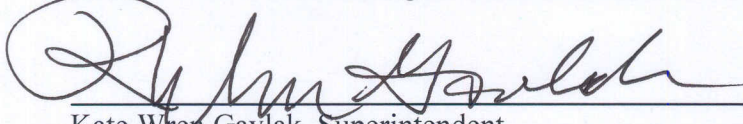
Orientation:	To take place during the week of December 15, 2008.
Staff Interviews:	To take place during the week of December 15, 2008.
Exit Interviews:	To take place during the week of December 15, 2008.
Preliminary Report Submitted:	Approximately six weeks after the exit meeting.
Final Report Submitted:	to be determined
Board Presentation:	to be determined
Follow-Up Support:	If requested

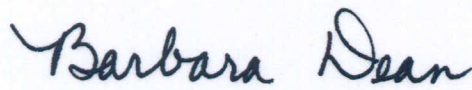
7. CONTACT PERSON

Please print name of contact person: Ken Forrest, Assistant Superintendent

Telephone 707 437-8220 FAX _____

Internet Address kforrest@travisusd.k12.ca.us

 11-4-08
Kate Wren Gavlak, Superintendent Date
Travis Unified School District


November 4, 2008

Barbara Dean, Deputy Administrative Officer Date
Fiscal Crisis and Management Assistance Team

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

