

# Public Schools Transportation Allotment Overview

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# Updates

# Things Change but Stay the Same

- Until the Legislature Acts
  - Pre-COVID funding methods but faster
- After
  - ????????
- Very little legislation on school transportation this year
  - DMV must provide a school bus driver manual (they already do)
  - DMV must provide railroad emergency hotline training (they already do)
- Remember Drug and Alcohol Testing Clearinghouse Annual checks\*\*

# Budget Bill – Text as it Exists

- Efficiency must be used to determine funding
- The SBE must use the most recently available data to determine efficiency
- All funds except 5% must be allocated at the beginning of the year (not clear when that is precisely)
- Reserve can only be used for ‘emergencies’
  - ?May? rule out most current secondary allotments such as Early College, Regional/Lab Schools, Highway Use Tax, etc.
  - But who knows?
- Every single dollar not allotted by April 1, must be allotted for transportation, purposeful/justified or not.
  - Built-In Inflation!

# Absent Further Information

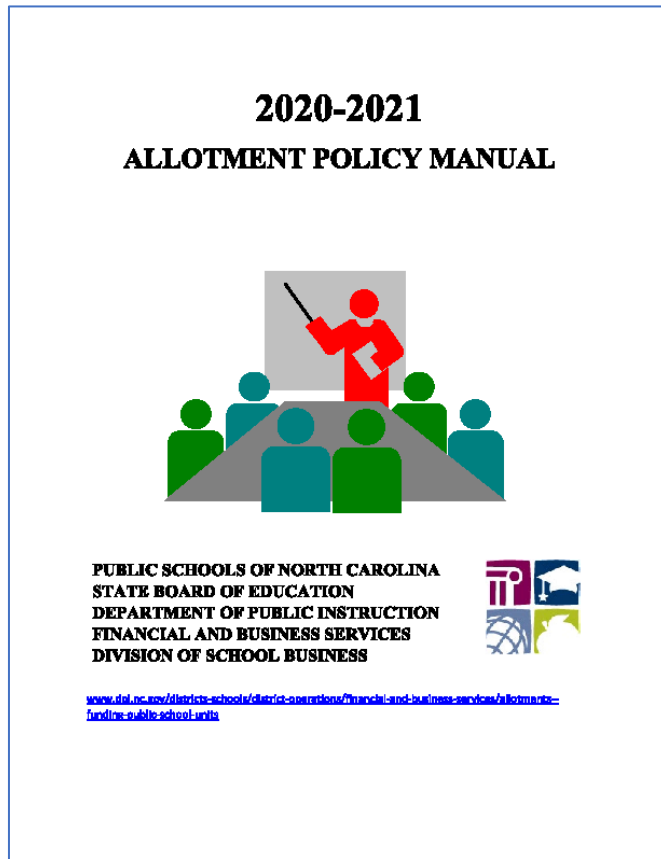
How many of you are new to the role since COVID started?

# NC General Statutes Related to Funding



- [§115C-240\(e\)](#) – give the State Board of Education the authority to allocate funds for transportation to/from school
- [§115C 240\(f\)](#) – give the local boards of education the authority to spend the funds on specific transportation expenditures

# Purpose of the Transportation Allotment



“Provides funding for all transportation related expenses for "yellow bus" use for eligible school age (K-12) students for travel to and from school and between schools.”

- [DPI Allotment Policy Manual](#)

# Transportation Allotment Calculation

Funding Base x  
Budget Rating +  
Legislated Adjustments =  
Annual Allotment





# **Funding Base \* Budget Rating + Legislated Adjustments**

- **Funding Base:** Eligible expenditures of the LEA (state and local) on eligible to/from K-12 school transportation the previous year
- **Budget Rating:** Measure of efficiency of the transportation operation
  - Dollars, Buses, and Students Transported in the county
  - Modified via linear regression for site characteristics of the county which make transportation more/less costly
  - Compared against all other counties
- **Legislated Adjustments:** Retirement, Medical, Salary, Fuel, other

# Data Sheet Review

# Funding Base

# What is “funding base”

Prior year  
eligible  
expenditures =  
funding base





# Eligible Expenditures

- Prior year eligible expenditures = funding base
- Relate directly to the transportation of K-12 students to and from school
- Correspond to one of state object codes in PRC 056

# **Ineligible Expenditures Cannot Expend in PRC 056**

**(OR -- If resources are expended, they must be refunded  
from other sources)**

- **Costs not associated with**
  - **K-12 To-From Transportation for the regularly organized school day**
  - **Transportation to effect a student's regular educational program**
- **Cost to maintain/operate local school system (or other government) vehicles**
- **Use of yellow buses by other programs for non-K-12 Transportation**

# Ineligible Expenditures Cannot Expend in PRC 056

(OR -- If resources are expended, they must be refunded from other sources)

- Things which have to be paid from elsewhere (law or policy)
  - Transportation Director Salary (PRC 002)
  - Expenses for Remediation (PRC 069)
  - Pre-K EC Expenses (PRC 032)
  - State Resources Used on Local Vehicles or for Local Programs
  - Use of Yellow Buses not for to-from school transportation
- Expenses that don't correspond to PRC 056 object codes
  - They don't fit, you can't spend it; use PRC 706

# Ineligible For Funding Base But.... Are in PRC 056

- A few PRC 056 object codes contain ineligible expenditures
  - You CAN spend state money, but it won't be included in your base
  - One-Time Costs
- Purpose-Specific Additional Allotments
  - Extra funds to offset specific extra expenditures
  - These are not reflective of normal K-12 transportation costs
  - Handled separately as non-recurring and thus they are not considered
  - Costs spread across the chart of accounts



# County? City? Both?

- Funding Base and Legislated Adjustments – Each LEA has their own based on what the LEA spent the previous year
- Budget Rating – Combined (Same for City and County)
  - County does maintenance, so separating out which costs belong to the city is not very feasible
  - Geographical and other site characteristics are county wide and thus cannot be applied fairly to some portion of the county

# Budget Rating

# Deriving the Budget Rating

## INPUT DATA

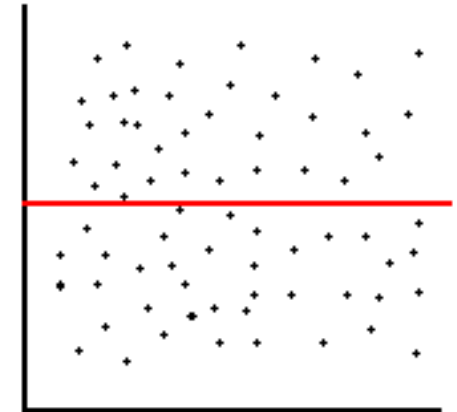
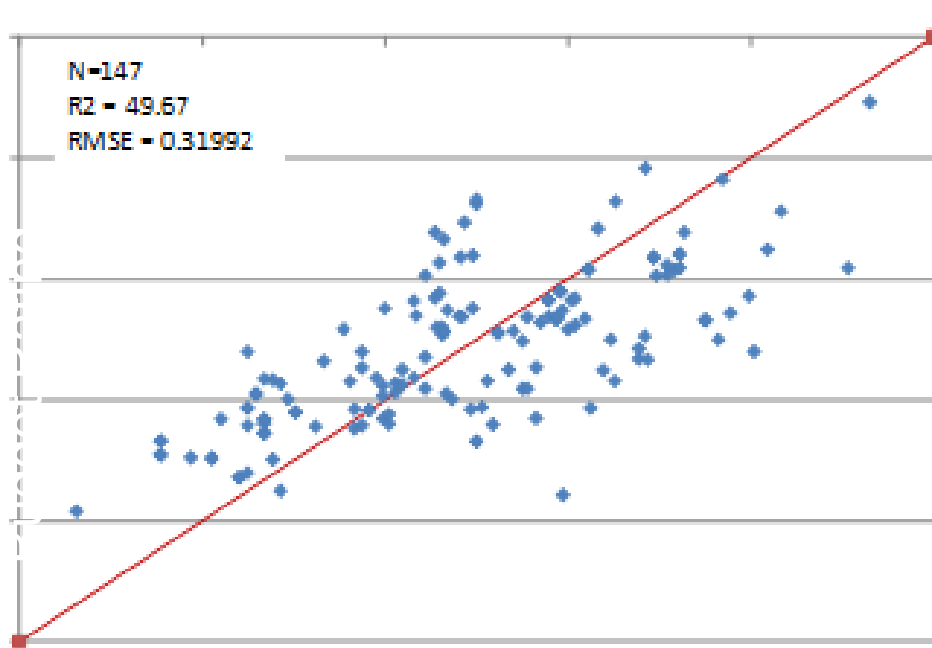
- Number of Students Transported Last Year
  - TD-2 Student Count (October)
  - TD-24 Contract Transportation Supporting Documentation (October)
- Number of Buses Operated on Routes Last Year (91+ days)
  - TD-10 Bus Inventory (March)
- Total **ELIGIBLE** Expenses Last Year
  - Local and State PRC 056 Data
  - TD-1 Annual Report (August)
- Cost per Student Transported
- Buses per 100 Students Transported

# Budget Rating - Site Characteristics

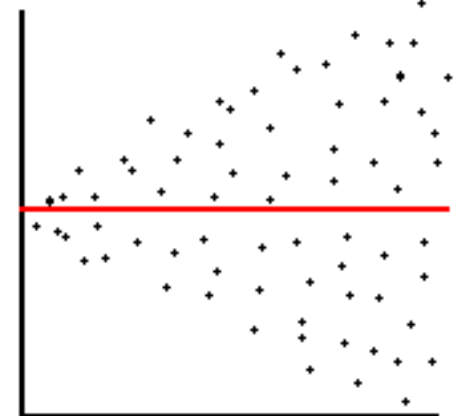
- Things beyond the control of transportation that impact efficiency
  - Distance of Students to School
  - Pupil Density (Students per mile of road)
  - EC Transportation
- Linear Regression allows very different counties to be measured using the same criteria - **“levels the playing field”**

# Linear What?

It makes it so that low population density doesn't mean low budget rating.



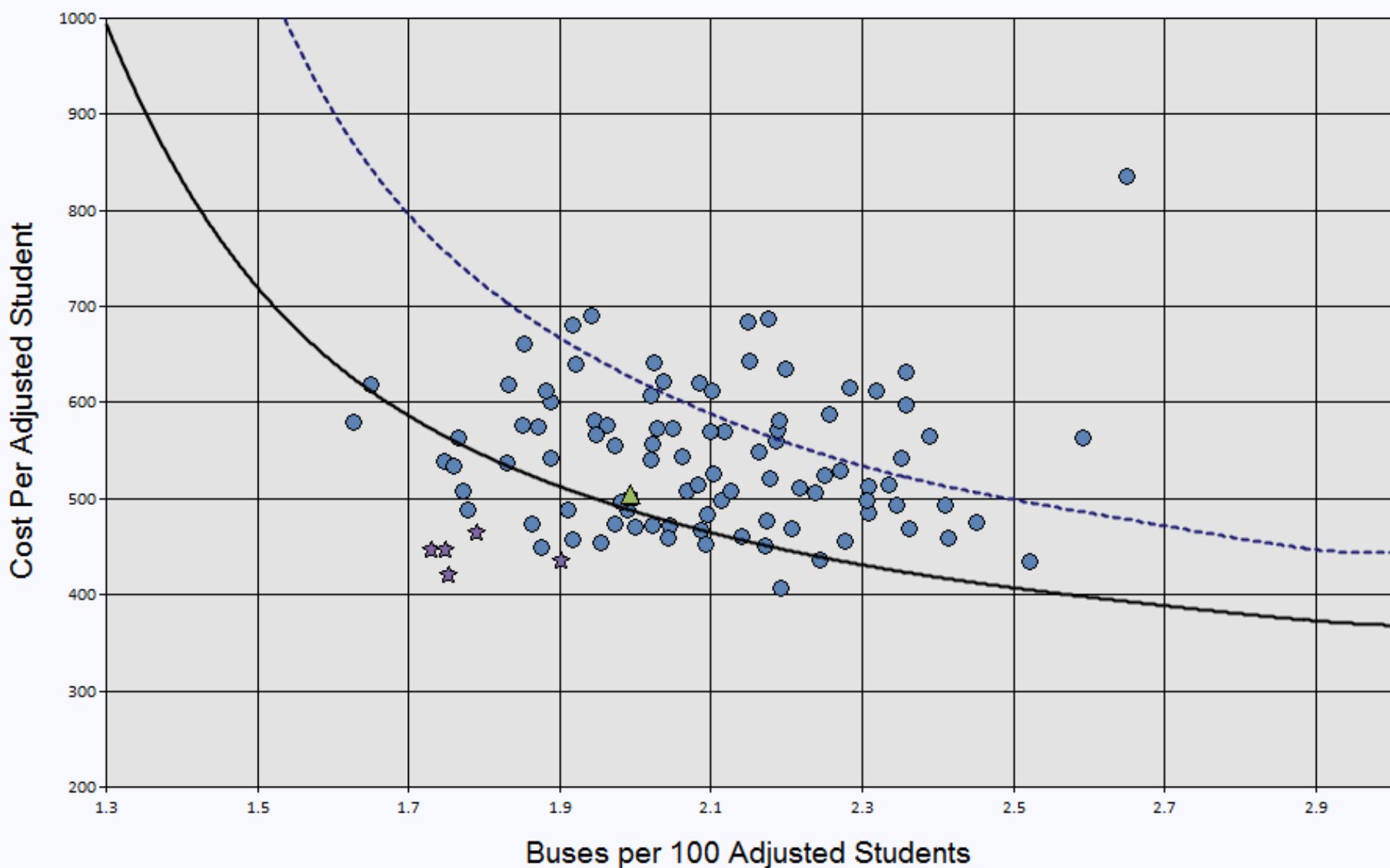
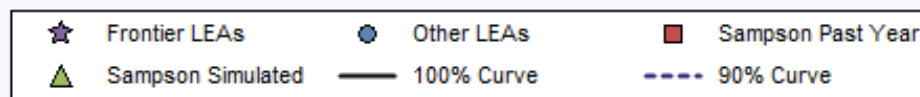
(a) Unbiased and Homoscedastic



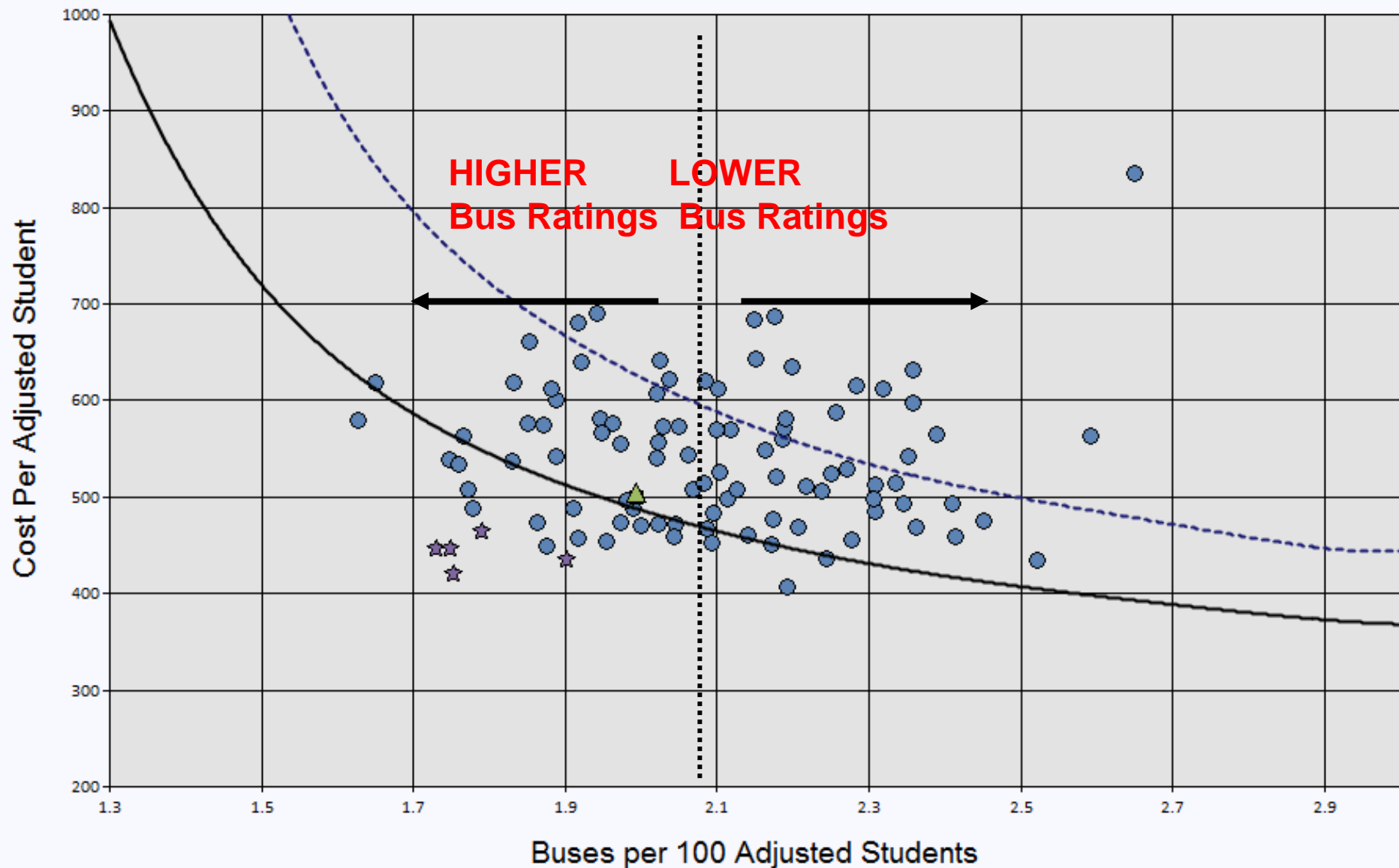
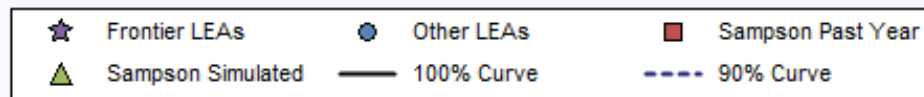
(d) Unbiased and Heteroscedastic

# Budget Rating Graphically

## Statewide LEA Budget Rating Graph

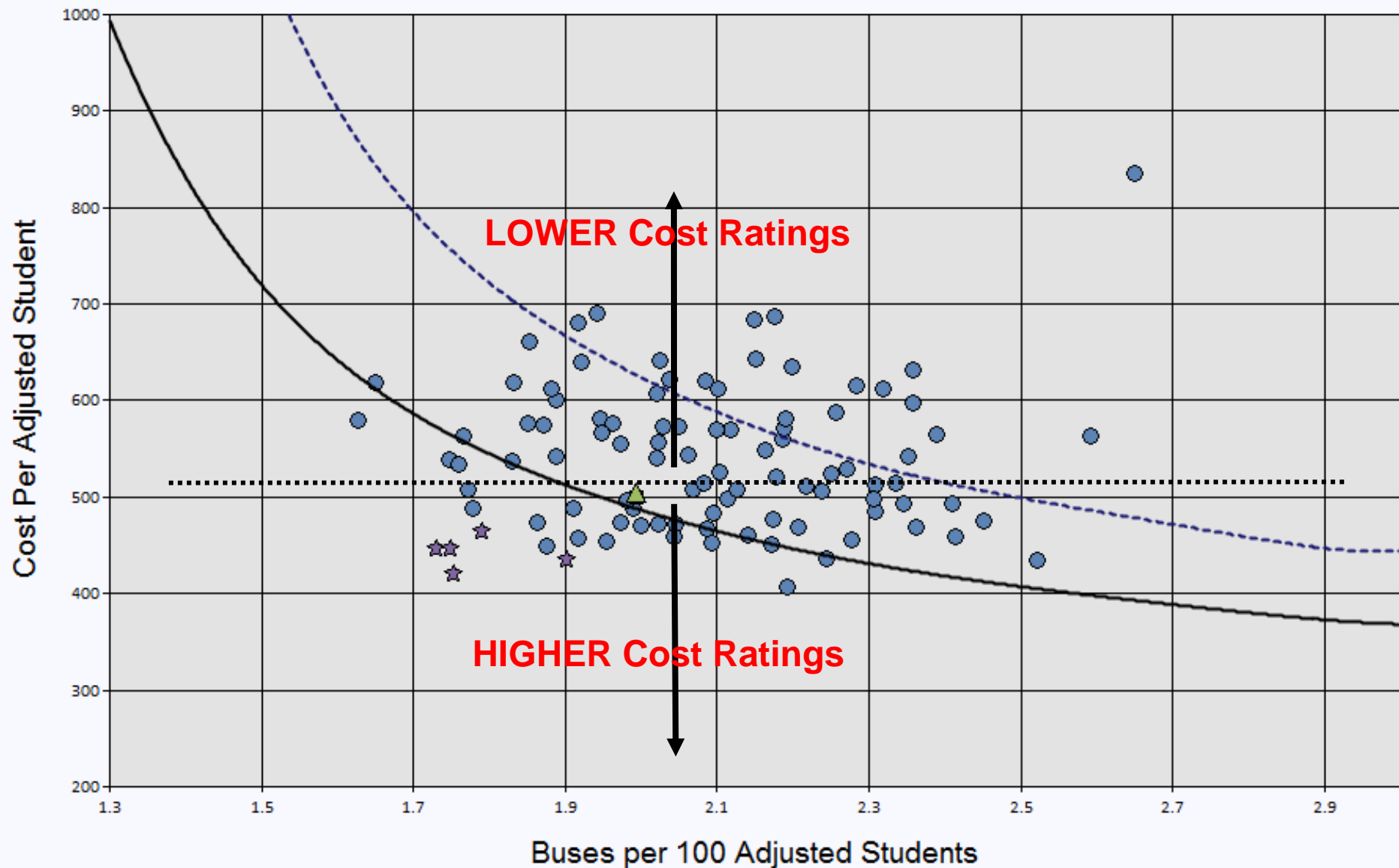
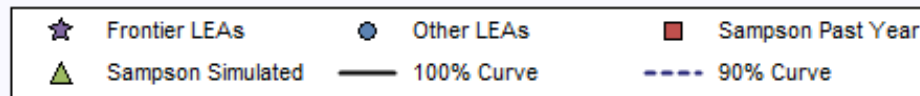


## Statewide LEA Budget Rating Graph





## Statewide LEA Budget Rating Graph



# Current year allotment = Funding base \* Budget Rating + Adjustments

\$1,900,000 **ELIGIBLE** state expenditures  
+ 100,000 **ELIGIBLE** local expenditures  
\* 98% budget rating  
\$1,960,000 State allotment before adjustments  
  
+ 10,000 ADM Increase Adjustment  
+ 50,000 Salary and Benefit Increases  
- 30,000 Fuel/Legislative Reduction  
~~\$1,990,000 Final State Allotment~~

# Budget Rating

Actually.... There are two....

# New Run Rating AKA Current Rating (\*2019-20 dates used)

- Latest complete year information for everyone.
  - 2019-20 one slated for early December
- Includes all 2018-19 data from all LEAs
- Updates site characteristic data and compares all LEAs against each other to create a new efficiency model

# The Trouble with the New Run Rating

- In 2018-19 when you're making operational decisions that define the New Run Rating:
  - You know your buses, students, and money
  - You don't know everyone else's
  - You don't know how what everyone else is doing will impact your relative efficiency
- It can feel like a moving target
  - It is....
  - BUT... there's another rating

# Simulator Rating

- Data from 2017-18 for everything EXCEPT:
  - YOUR 2018-19 Expenditures
  - YOUR 2018-19 Students
  - YOUR 2018-19 Buses
  - Modifications to undo legislative changes in 18-19
- It is the New Run Rating Model from the previous year, but modified by what you actually did in 2018-19
- **Funding is Based on The Highest of the Two Ratings**

# Budget Rating Simulator

# Transportation Funding Examples



# Eligible For Funding Base

- Repair of State Transportation Vehicles
  - School Bus Tires
  - Labor Charges from Dealership Repairing a School Bus Engine
  - Mechanic Salaries
- Bus Drivers
  - Bus Driver Salaries
  - Bus Driver Hourly Supplement (total wages still within state range)
  - Driver Overtime Pay (still under hourly maximum for the year)
  - Drug Testing for only Yellow Bus Drivers
- Contract Transportation
  - Contract Transportation for a Student
  - Contracting with a Parent to Provide Transportation to School

# Eligible for Funding Base

- Garage Operations
  - Generator Fuel for Garage
  - Uniform Services for Garage Staff
  - Utilities for Bus Garage
  - Cellular Service for Garage Staff
  - Toll Road Charges
- Engine Diagnostic Software
- Training
  - Travel Expenses to Technician Training
  - Hiring a Trainer for an engine diagnostic class
  - Staff Development Training on OSHA Regulations

# CAN NOT Use PRC 056 Funds

- Maintenance of Local Vehicles (Must Be Refunded if PRC 056 Funded Items Used)
  - Tires for the Superintendent's Car
  - State Inspection of a Food Services Truck
  - Oil Change for a Maintenance Department Truck
  - Technician Labor to do Body Repairs on the Transportation Director's Car
  - Replacing Alternator on an Activity Bus
- Purchasing an Activity Bus
- Garage and Facilities
  - Building a new Garage
  - Explosion Proofing the Garage
  - Replacing an Underground Fuel Tank

# CAN NOT Use PRC 056 Funds

- Salaries
  - Transportation Director Salary
  - Salary of the Activity Bus Use and Billing Coordinator
  - Driver for Field Trip to the Museum
- Other Programs Use
  - Busing Costs for Summer Reading Camps (Read to Achieve)
- Drug Testing Beyond Necessary for School Bus Drivers
  - Drug Testing Program for the whole LEA
  - Drug Testing for Coaches who only drive Activity buses
- Bus Driver Perfect Attendance Bonuses

# **CAN Use PRC 056 Funds but NOT part of the Funding Base – Ineligible Expenditures**

- Lease or Purchase of Equipment
  - Purchase of Computers for the Garage
  - Bus Radios
  - Camera Equipment
  - Portable Lift
- Pay Outside the Allowable Salary Schedule
  - Driver Overtime Pay (Places Driver over State range for the year)
- Things DPI Allots Money for Separately
  - Title Fees and Hwy Use Tax on New School Buses
  - Spending Allotted Contingency Funds

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