

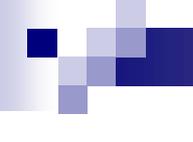
# The Business Side of Pupil Transportation

NYS Education Department  
2011



# State Deficit & Looming District Budget Crisis

- Growing State Budget Deficit
- Loss of State Pension Funds
- Public School Teacher Contract Increases
- Loss of Federal Stimulus Funds
- CPI Effect on District & Contract Caps
- Growing Taxpayer Discontent



# Cost Containment Efforts At Local Level May Not Be Enough - Cuts

- Using Eligibility to Save
- Non-Public Transportation
- Legal & Optional Holidays
- Regional Transportation & Shared Services
- Special Needs Transportation
- Parent Contracts
- Competitive & Cooperative Bids
- Transportation Management

# Using Eligibility to Save

- Change eligibility to state maximums (3635 1a) of 2-3 miles
- Enforce walking distance to bus stops
- Don't route down cul de sacs, short side roads
- Limit to Elementary School Zones
- Use Childcare law (3635 1e) to limit

# Non-Public Transportation

- Not required to be direct or quick
- Missing April 1<sup>st</sup> not absolute denial (3635 1e)
- Use – “Centralized Pickup Points”
- Use – “Transfer Points”; Can Mix Modes
- Limit After School Services
- Not obligated to transport before first day of public session
- Negotiate Start and Dismissal Times

# Legal & Optional Holidays

- Districts not obligated to transport before start of public school session
- On days legally required to be closed = no authority to transport anyone
- Optional holidays – district negotiates, no obligation for the district to transport, except special educational placements
- Reasonable notice



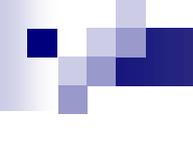
# Shared Services & Cooperative Bids

## On school district owned buses:

- Regional or shared services to non-publics
- Regional or shared services to special needs students

## On contractor owned buses:

- Do a cooperative bid and share space on a bus
- Compare cost with BOCES shared services
- Combine existing bids, negotiate new price



# Regional Transportation Pilot Study Shared Services

- Chapter 378 of the Laws of 2010 authorizes Pilot Studies
- Estimate & analyze degree of savings from regional systems
- Accepting letters of application thru March 31, 2012
- Pilots must be completed by August 31, 2012
- Annual reports to the Regents, Governor, Legislature

# Regional Transportation Pilot Study

## Shared Services cont.

Scope of Services may include:

- Home to school transportation
- Shared trans w/ another district to public schools
- Shared trans w/ another district to private & charter
- Field and sports trips or other extra curricular activities
- Shared trans management, training
- Cooperative bus maintenance, purchasing, leasing



# Special Needs Transportation

- Work with CSE – attendants not monitors
- Use Regional or Shared Services Transportation
- Parent Contracts – cheapest way to go
- Contract Out – Cooperative Bid to share a bus

# Parent Contracts

- Most cost effective method
- Subject to DMV, DOT and SED
- Is subject competitive bidding rules
- Only parents; not grandparents, siblings, cousins
- Actual cost or IRS/district employee rate
- For Non-public, public, special needs
- Often most appropriate method; parent has vehicle and experience with child

# Bids & Contracts - Types

- 3 Ways to award a Contract: Bid, Negotiate, RFP
- 3 Types of Bids: Competitive, Cooperative, RFP
- 4 Kinds of Contracts: SY, Summer, Partial, Emergency, Maintenance (Operations)
- 5 Areas of Service: Home to School, Special Needs, Non-Public/Charter, Sports, Field Trips

# Bidding Basics

- Must bid contracts \$20K or more, or if all new contracts total \$20k or more must bid **All**
- Voter approval for multi-year contracts
- May **Only** extend a competitively bid contract
- Extend 1, 2, 3, 4, 5 years; May repeat
- May increase annually by up to CPI, Cost Justification Form
- Pass Through Expenses – optional, submit
- 7 Day Rule: 5 Days **Between** Ad and Bid Open

# Partial Year & Emergency Contracts

## ■ Partial

1. Starts after the 1<sup>st</sup> day of School
2. Unanticipated Service
3. Must be less than \$20K

## ■ Emergency

1. Starts after the 1<sup>st</sup> day of School (Summer)
2. Unanticipated Service – 31 day Maximum Period
3. Will cost \$20K or more
4. Must Bid the Service

# Summer Contracts

- Start on/after July 1
- Finish on/by Aug 31<sup>st</sup>
- Must be separate from SY contract
- 3 Categories
  - 1. BOCES Programs – No Aid
  - 2. Special Ed – STAC 4408 Aid
  - 3. District Program – State Aid Pool (\$5M)

# Cooperative Bids

- GML section 109-o
- Must Advertise – 7 Day Rule
- Bid specs – greater quantity = more saved
- Only parties to bid can award during bid opening period; not later
- No Piggybacking – must have bid & award
- Cooperative – bus purchase, transporting
- BOCES COSERS – type of cooperative

# New Style Cooperative Bid

- Subject to all prior requirements
- Must be part of the original Cooperative
- Must have specific specifications, locations
- Quantities may be specific and/or promise
- Vendor guarantees price for contract period
- District promises business if services needed
- All districts award to winning vendors; zero ok
- All districts extend or their contract ends

# RFP = Request for Proposal

- Have a problem contractor?
- Ed Law 305 (14), 8 NYCRR 156.12
- Advertising and Bid Specifications **Must** include Criteria & Points
- Minimum 10 Criteria Must Use; May Add
- No Single Criterion more than 50%
- Establish Minimum Score to award
- Committee to Score **All** Proposals, Even One
- Submit all to SED

# Common Reasons for Disapproval Contracts

- Not Following the Basic Requirements
  1. 7 Day Rule for Advertising – 5 Days Between
  2. Competitive Bidding when needed - \$20K Aggregate
  3. Completing the Contract/Extension Form – All Blanks
  4. Dates & Signatures
    - Agreement Date – On or Before 1<sup>st</sup> Day of Service
    - Superintendent – On or after the Agreement Date
    - All Three Parties Must Sign – Board President, Contractor, Superintendent
  5. Not Responding to SED Faxed Questions – (Missing July 1<sup>st</sup> Date)
  6. Piggybacking (Especially Consortiums)
  7. Not Sending in within 120 Days of First Day of Service:
    - Advertisement or Affidavit of Publication
    - Copy of Bid Specifications
    - Bid Tabulation (also on back of Contract Form)

# Recommendations

- Use the New Checklist - Last Slide
- Make Sure You Have More than One Original Contract
- Have Someone Review Everything before Submission
- Include a Cover Letter with Submission Listing the Contents
- Send SED One Original and No Copies
- Mail with Return Receipt for Proof
- Mail within 120 of First Day of Service
- Call or Email if you have Questions

# Other Transportation Expenses

## (Equipment, Bus Lease)

- **Must Submit to SED for Approval:**
  1. Computers, Software, Routing Program
  2. Equipment, Radios, GPS (special rules)
  3. Repairs not Replacement for Building
  
- **Leasing a School Bus – Max. 5 Years**
  1. Bid or Obtain from State Contract
  2. Bid Financing – now may be bundled
  3. Installment Purchase – if Pay Full Price of Bus
  4. Voter Approval if More than One Year

# Other Transportation Expenses (Emergency)

## ■ Emergency Options

1. Chapter 818 Bus Replacement – no voter approval, board declares, unencumbered funds, SA-16, reported to SED within 60 days
2. Leasing a School Bus – board declares, call SED within 10 days
3. Leasing a Facility – located within the boundaries of the school district

# Other Transportation Expenses (Consultants)

- Consulting Expense May be Aid-able
  1. Copy of the Agreement Letter with Fee Amount
  2. Reason for Using a Consultant
  3. Copy of the Final Report by Consultant
  4. Statement by District of Actions Taken
  5. Estimate of Cost Savings
  6. Interim Trans Director – not long term



# Transportation Management

## Ways to Save \$\$\$

- Regular Maintenance Schedule
- Bus Replacement Plan
- Standardization of Brand
- Competitive Bid rather than State Contract
- Cooperative or Regional Bid
- Computerized Routing
- Contract Out for Services



# Possibilities for the Future

- Use of “Internal Services Fund”
- Shared regional maintenance services
- Shared non-public transportation
- Shared special needs transportation
- Shared administration of transportation
- Shared bus driver safety training
- Shared transportation on contractor buses

# Contract Checklist

1. Is there a Cover Letter Listing Contents?
2. Did we Use the Correct Form? (School Year or Summer; Contract or Extension)
3. Are the Signatures on the Form Original Signatures? (Not A Stamp or Xerox copy)
4. Did All Three (3) Parties Sign the Contract? (Board President, Contractor, Superintendent)
5. Is the Agreement Date Before the Superintendent Date? Did the Contractor & Board President (designee) Both Sign?
6. Is the Agreement Date Before the 1<sup>st</sup> Day of Service?
7. Is the Superintendent Date After the Agreement Date? Is the Superintendent Date Before the 1<sup>st</sup> Day of Service?
8. Is the Total Anticipated Cost Line Filled In?
9. Is the Bid Tabulation Line Completed (on back of form)?
10. Is the Advertisement or Affidavit of Publication Included?
11. Are the Bid Specifications Included?
12. Did we Need to Include a Cost Justification Form for Pass Through Expenses?
13. Is the Box Checked for Type of Contract (top right corner)?
14. Write on Top if this is an Emergency or Partial Year Contract
15. Is this Submission Within 120 of 1<sup>st</sup> Day of Service?

# Questions ?

- Visit our website at new Address:  
<http://www.p12.nysed.gov/schoolbus/>
- Check News & Notes and Contracts/Business Page
- Contact our office:  
Phone: 518-474-6541 Fax: 518-474-1983
- Email: [msansari@mail.nysed.gov](mailto:msansari@mail.nysed.gov), for Gen. Info, RFPs & Equipment  
[bdemski@mail.nysed.gov](mailto:bdemski@mail.nysed.gov), for Contracts