

Public Schools Transportation Allotment Overview

*Kevin Harrison, Section Chief
Transportation Services
NC Department of Public Instruction*

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

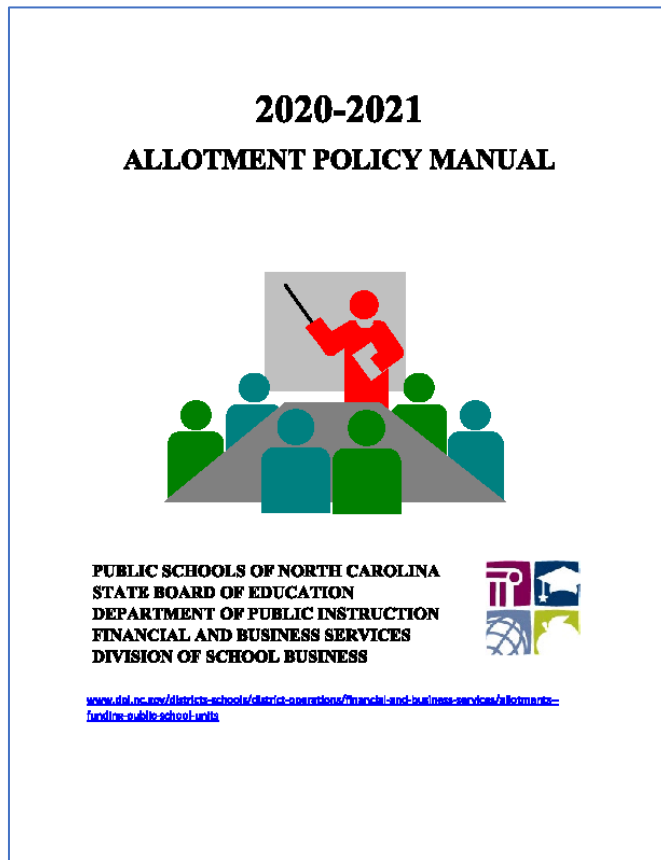
How many of you are new to the role since COVID started?

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

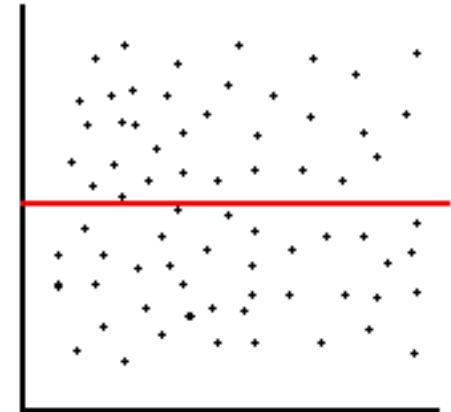
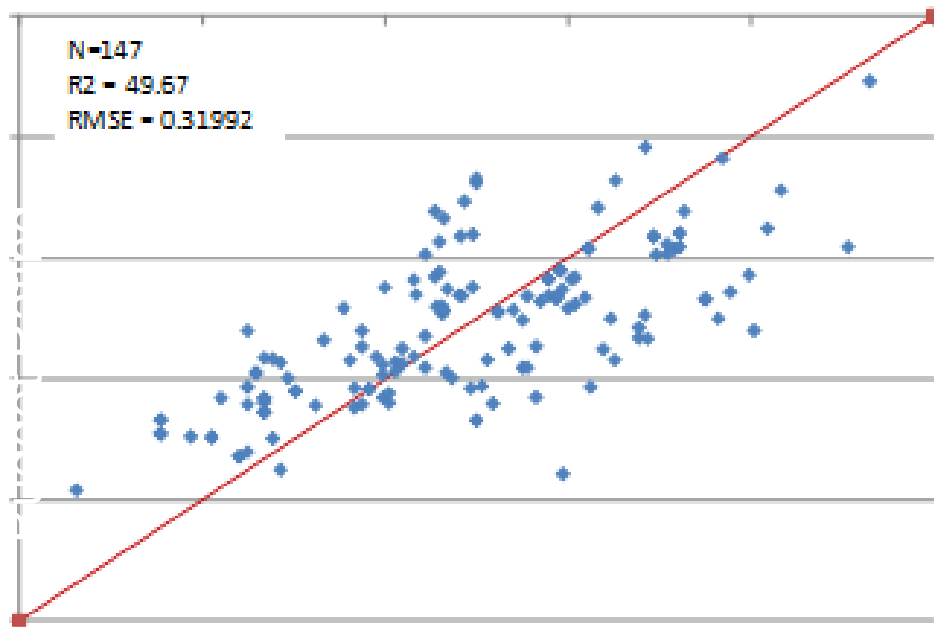
- Number of Students Transported Last Year
 - TD-2 Student Count (October)
 - TD-24 Contract Transportation Supporting Documentation (October)
- Number of Buses Operated on Routes Last Year (91+ days)
 - TD-10 Bus Inventory (March)
- Total **ELIGIBLE** Expenses Last Year
 - Local and State PRC 056 Data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

Budget Rating - Site Characteristics

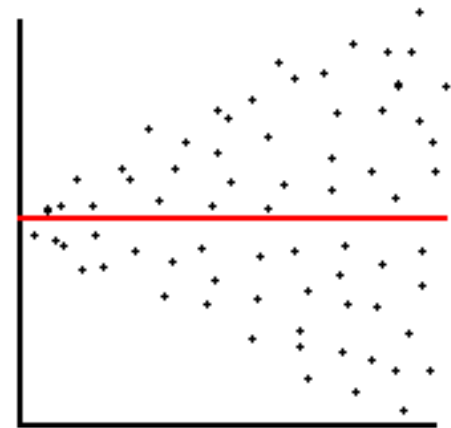
- Things beyond the control of transportation that impact efficiency
 - Distance of Students to School
 - Pupil Density (Students per mile of road)
 - EC Transportation
- Linear Regression allows very different counties to be measured using the same criteria - **“levels the playing field”**

Linear What?

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



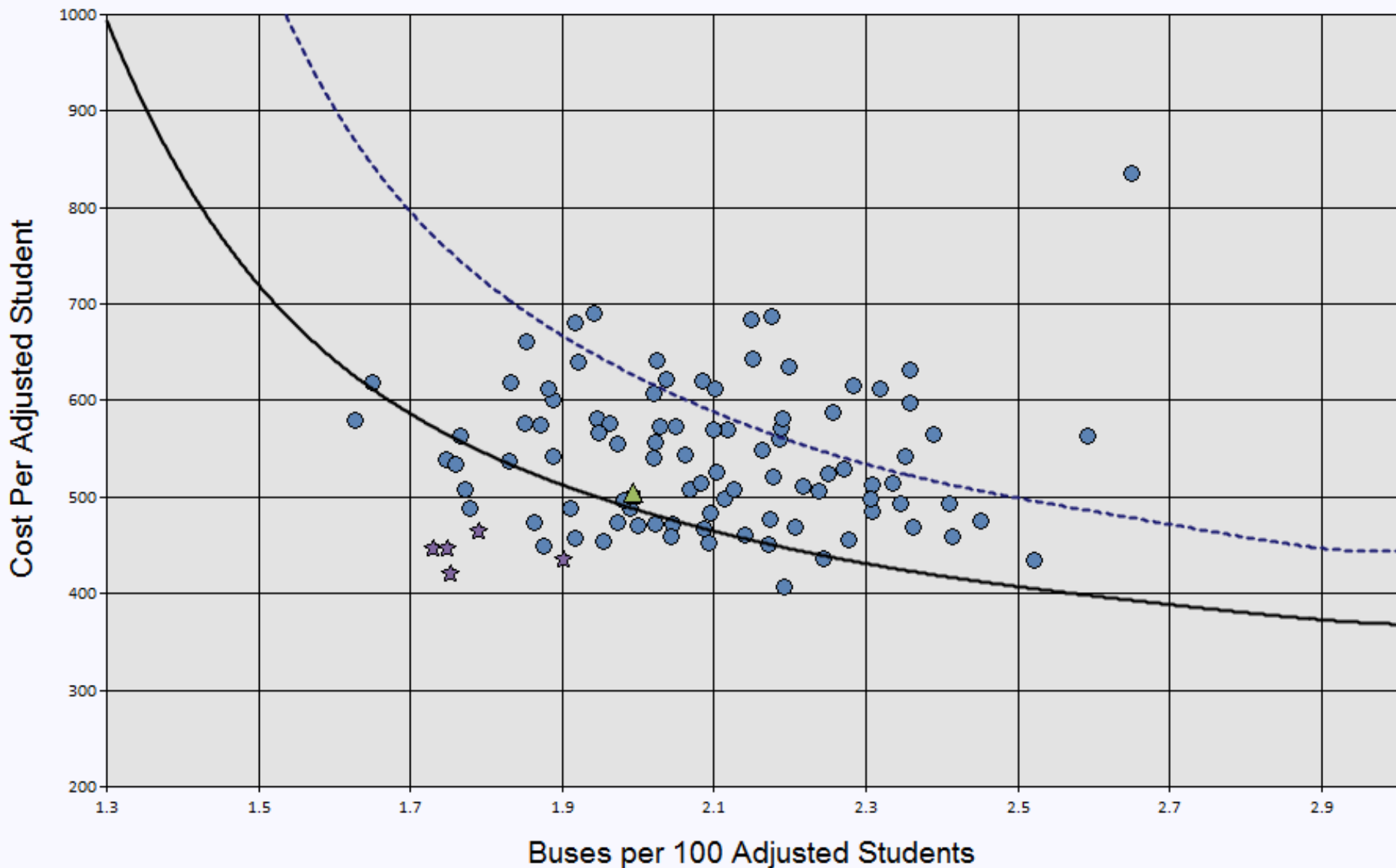
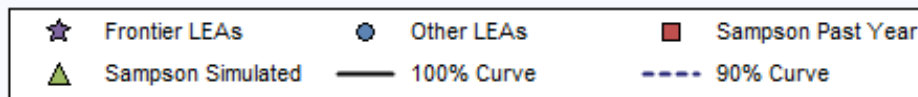
(a) Unbiased and Homoscedastic



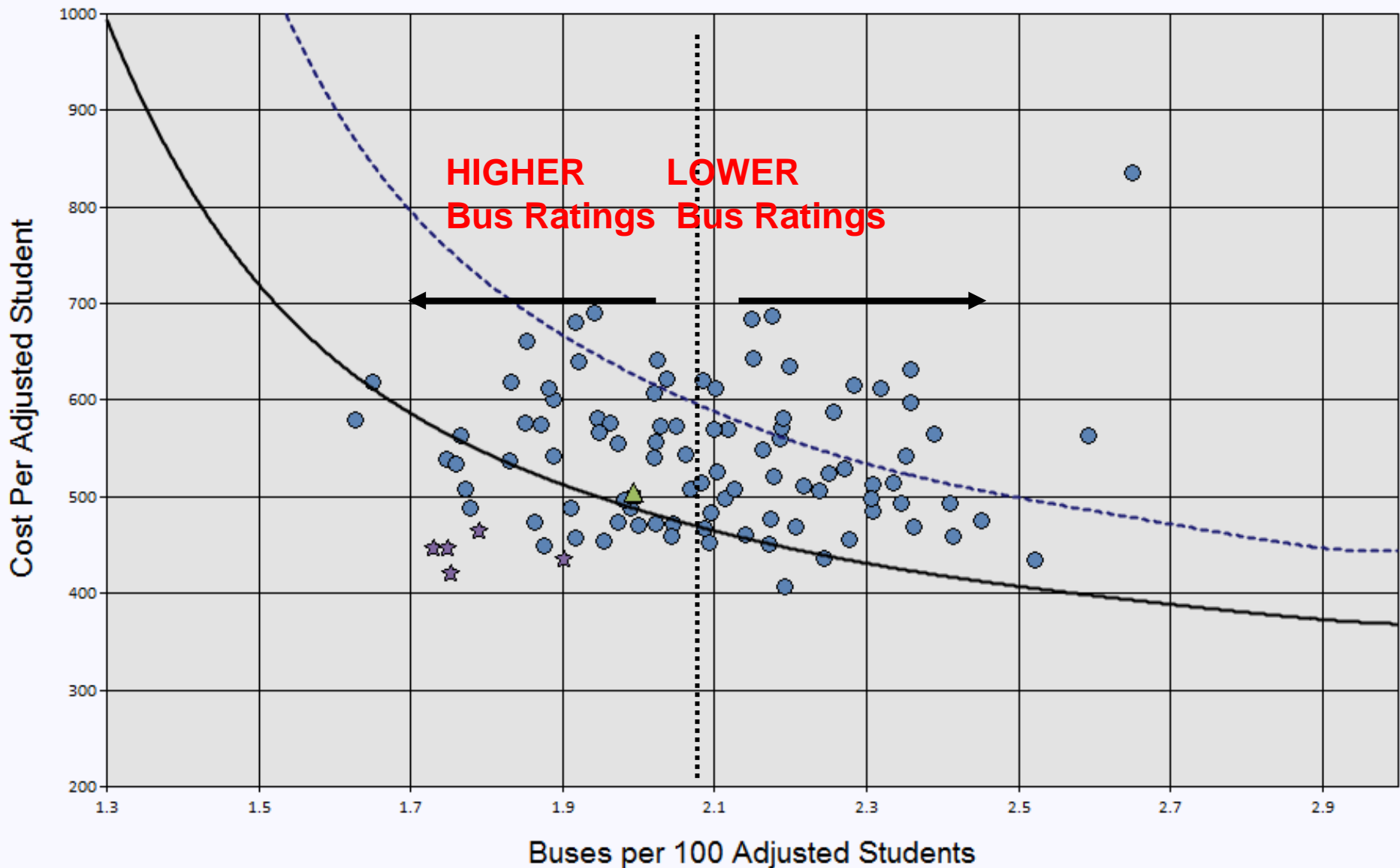
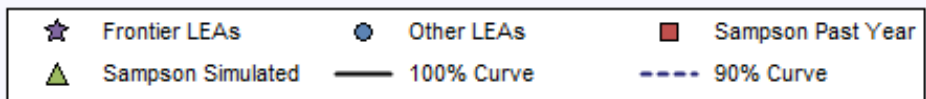
(d) Unbiased and Heteroscedastic

Budget Rating Graphically

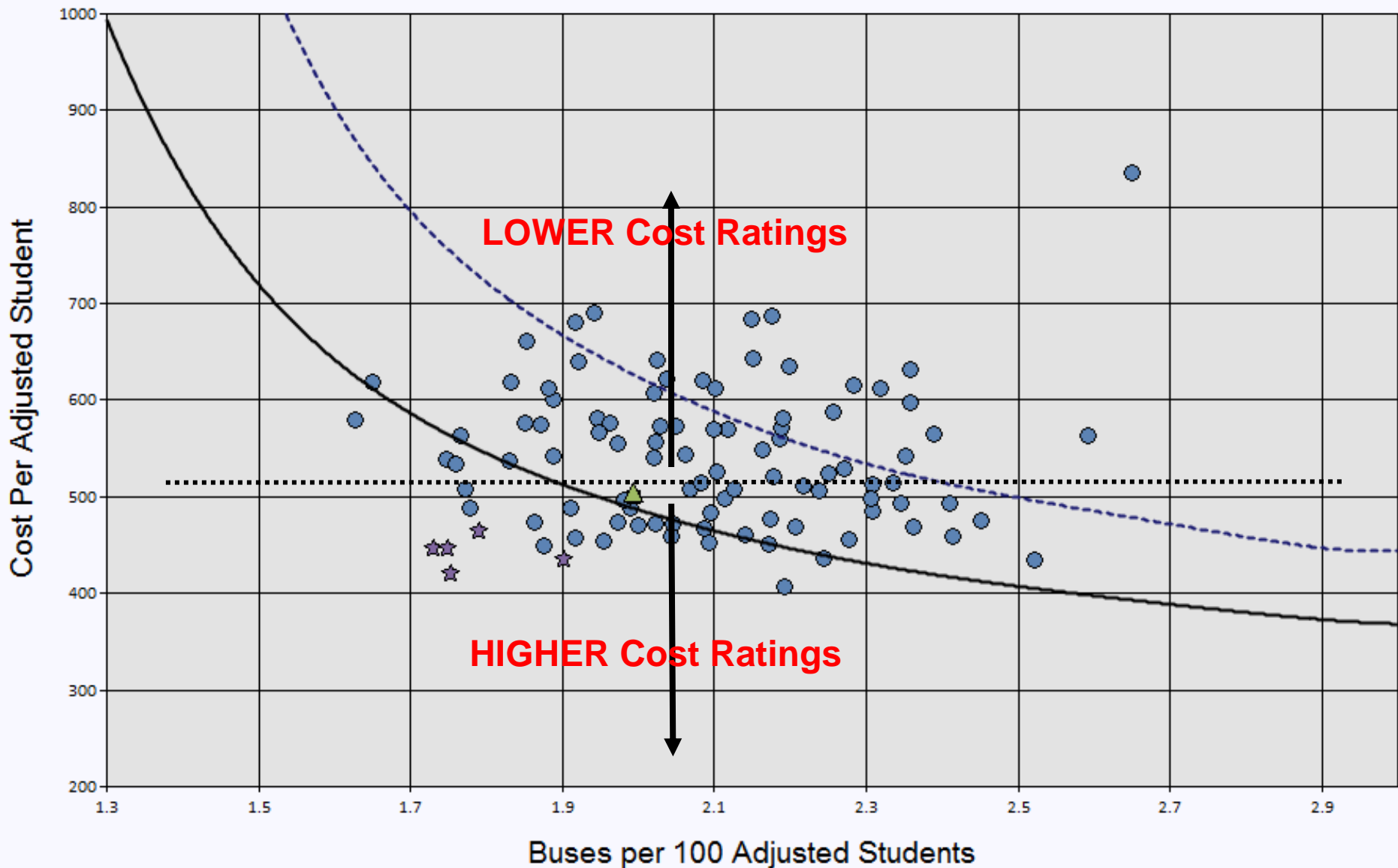
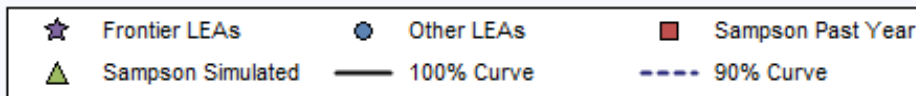
Statewide LEA Budget Rating Graph



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

Transportation Office Staff



Kevin Harrison – Section Chief

Kevin.Harrison@dpi.nc.gov

984-236-2932



Jaime Doran – Program Analyst II

Jaime.Doran@dpi.nc.gov

984-236-2953

Brandon Arrington – Business Systems Analyst

Brandon.Arrington@dpi.nc.gov

984-236-2954

Transportation Field Consultants



Anthony Avant – Central Region

Anthony.Avant@dpi.nc.gov

336-848-4557



Danny Reed – Western Region

Danny.Reed@dpi.nc.gov

980-505-2537



Shannon Ennis – Eastern Region

Shannon.Ennis@dpi.nc.gov

919-625-0947

www.ncbussafety.org



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