



**COMPONENTS
OF THE
TRANSPORTATION
CALCULATION**

May 2012 Missouri Department
of Elementary and Secondary Education

Items of Discussion

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- Key Components of the Calculation
- How to Maximize Transportation Funding



Key Components of the Transportation Calculation

- Ridership
- Mileage
- Allowable Cost
- Eligible Cost
- Cost Factor
- Entitlement
- Appropriation Adjustment



Ridership

Ridership is the tracking of all regular riders (both eligible and ineligible) from the beginning of the school year to the 2nd Wednesday in October and from the beginning of the 2nd semester to the 2nd Wednesday in February.



Ineligible Ridership

Ineligible riders are students who live less than one mile from school.



Types of Ineligible Ridership

- Less Than One Mile – No Appreciable Cost
- Less Than One Mile – Parent Contract or District Expense
- Less Than One Mile – HB 1180
- Non-Resident Students Transported



Mileage

Mileage is the tracking of all miles associated with transportation of students with or without the students on the bus.



Eligible Miles

Eligible miles are the miles associated with transporting students to and from school.

Eligible miles include:

- Non-disabled route miles
- Vocational route miles
- Students with disabilities route miles
(including parent contracts)
- Students w/disabilities summer school route miles



Ineligible Mileage

Ineligible miles are divided
into two categories:

- Disapproved route miles
- Non-route miles



Types of Ineligible Miles

Disapproved route miles include:

- Regular (non-disabled) summer school miles
- Routes to transport only children who live less than one mile from school
- Shuttle routes between buildings
- Early childhood (non-disabled) routes
- Before and after school activity routes



Ineligible Miles (Cont.)

Non-route miles include:

- Activity trips
- Field trips
- Maintenance miles
- CDL licensing trips
- Training miles



School Bus Depreciation Schedule (SBDS)

- The principal purchase price of school buses that are nine years or newer are recorded on the SBDS at the end of the year in which the bus was received.
- School buses are depreciated over a period of eight years at 12 ½% per year.
- The total SBDS amount for the year is added to the district's allowable costs (minus bus payments).
- A careful review of the SBDS must be completed every year to ensure that all changes to the bus fleet are noted.



Facility Depreciation Schedule

- The depreciation costs of new facilities, such as school bus storage facilities and maintenance garages, may be claimed by a school district on a straight-line depreciation schedule of not less than 20 years beginning in the first year of the facility's use.
- If these facilities are used for vehicles other than school buses, the depreciation charged must be prorated on the basis of the number of vehicles serviced by the facility.



Allowable Costs

Allowable costs are costs for transporting students under the provisions of Section 304.060, RSMo, administrative services, and costs paid to other school districts (5 CSR-261.040).



Eligible Costs

Eligible costs are the costs remaining after the allowable costs have been reduced by the costs associated with ineligible miles.



Cost Factor

The cost factor is the efficiency rating in the school district's Calculation for State Transportation Aid used to measure the efficiency of the district's transportation program. The cost factor is calculated by comparing the school district's actual cost per pupil mile to a predicted cost per pupil mile (obtained through a simple curvilinear regression analysis).



Cost Factor (a.k.a. Efficiency Rating)

- If the cost factor is 100% that means the district's cost per pupil mile equals the predicted cost per pupil mile and is efficient under the transportation formula.
- A 4% variance is built into the formula that allows the district's cost factor to be 104.00% or below and still be considered efficient.
- There is no advantage in state transportation aid to being significantly less than 104%.



Effects on the Cost Factor

The district cost factor will decrease when:

- the ridership increases
- the mileage increases
- the allowable costs decrease



Actual 2011-12 Cost Factors

<u>Contacted</u>			<u>District Operated</u>		
	# of Districts			# of Districts	
Efficient	78	46%	Efficient	262	69%
Inefficient	90	54%	Inefficient	116	31%
Total	168	31%	Total	378	69%

62% of all school districts are efficient with cost factors 104.00% or below, 38% of school districts are inefficient with cost factors of 104.01% or above

Entitlement

Entitlement is 75%
of the district's
eligible costs after
being reduced for
inefficiency.



Appropriation Adjustment

- The appropriation adjustment is a percent applied to the district's entitlement. The percent is calculated by adding all school districts' entitlements together and comparing the total to the appropriation available for payment.
- The appropriation adjustment changes each month a live payment is made as school districts make changes to the transportation data.



Order of Calculation

1. Allowable Cost
2. Cost for Eligible Miles
3. Cost Adjusted for Ineligible Students Affecting the Calculation
4. Cost Adjusted for Inefficiency
5. Reimbursable Cost Reduced to 75%
6. Entitlement Reduced by Appropriation %

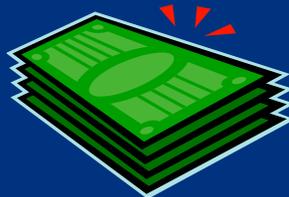


Accurate Tracking of Ridership

- All regular bus riders (eligible and ineligible) should be tracked.
- A regular rider rides a minimum of once per week.
- Although no payment is received per rider, ridership impacts efficiency.
- The more riders a district has the more efficient the district becomes as the capacity of the buses are maximized.



HOW TO MAXIMIZE TRANSPORTATION FUNDING



Accurate Tracking of Miles Traveled

- All miles must be tracked accurately.
- Every mile traveled should be tracked as a regular route mile or non-route mile.
- Non-route miles should be tracked with trip sheets.



Proper Coding of Non-Disabled and Students with Disabilities Transportation Costs

- It is imperative that the district properly code not only the direct but the indirect non-disabled and students w/disabilities transportation expenses.
- A proration of all global expenses associated with transportation must occur and be coded appropriately for each type of route.
- These indirect expenses could include the salaries and benefits of the transportation director, mechanics, dispatchers, support staff, fleet insurance, supplies, etc.



Administrative Costs

Administrative support service expenditures include:

- Prorated salaries and benefits of school administrators and administrative support staff
- Utilities
- Insurance
- Telephone
- Custodial and office supplies
- Office space
- Equipment for the transportation office including furniture, copy machines, fax machines, and computer hardware and software



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Survey

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