

SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD, NEW JERSEY
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MEMORANDUM

TO: Members, Board of Education

FM: Peter P. Horoschak, Superintendent

DT: February 2006

RE: BUDGET ANALYSIS #6 – TRANSPORTATION SERVICES

The Board of Education requested a report to revisit prior year **transportation** analyses in search of additional transportation efficiencies and a report on possible savings from efficiencies as well as possible savings from selected reductions in non-statutory transportation service.

Background

The transportation program is an integral part of the South Orange Maplewood School District. It is a non-academic program that represents a significant portion of the District's budgeted expenditures. More than 2,000 residents are provided transportation to and from school or aid in lieu of transportation at a cost of more than \$4,000,000 or approximately 5% of the 2005-06 total General Fund budgeted expenditures. The Board must provide the pupil transportation services in accordance with the policies that have been adopted to support the education program. The transportation costs that are attributable to Special Education are approximately \$2,460,000 of the \$4,000,000 total. This total includes salaries and benefits for the drivers and aides, the expense for the contracted services for the special education students and maintaining the district buses used to transport these students.

	2005-06 Budget	2006-07 Maintenance Budget
Salary Expense (Regular Education)	\$320,228	\$343,721
Salary Expense (Special Education)	\$445,256	\$467,518
Salary Expense (Athletic Trips)	\$37,800	\$39,000
Contracted Services (Regular Education)	\$472,000	\$491,352

Contracted Services (Special Education)	\$1,909,200	\$2,049,069
Contracted Services (Athletic Trips)	\$77,298	\$76,500
Aid-in-Lieu/ Nonpublic Transp.	\$544,475	\$595,500
Cleaning, repair and maintenance	\$85,000	\$88,485
Insurance	\$15,000	\$16,800
Supplies	\$2,550	\$2,550
Lease payments	\$35,000	\$35,000
TOTAL	3,943,807	4,206,585

Mandated: Transportation of Remote Students

Board policy provides transportation to and from school for public and nonpublic school pupils in grades K through 8 who live more than two (2) miles from the school they attend and in grades 9 through 12 who live more than two and a half (2.5) miles from the school they attend, as determined in NJAC 6A:27-1 et. seq. Approximately 250 in-district students are transported based on these criteria.

Non-Remote Students

The District also provides transportation for some students residing less than the distance mandated by statute (labeled “non-remote” by NJDOE). If the District assigns a student to attend a school outside his or her home area and the school is more than one (1) mile from the student’s home, the student is eligible for transportation provided by the District. The District makes such assignments to maintain the pairing of Jefferson and Marshall Elementary Schools and to provide a service or program only offered at a specific school, including but not limited to the ESL program and the Demonstration program at Seth Boyden. 430 students are transported based on these criteria. These 430 students are as follows:

Jefferson Students from the Marshall area	113
Marshall Students from the Jefferson area	100
Seth Boyden Demonstration Program	96
ESL Program at Clinton Elementary	25
ESL Program at South Orange Middle School	2
“Hazardous route” to Marshall*	21
“Hazardous route” to South Mountain*	<u>73</u>
Total Non-remote students transported:	430

*Students who are required to walk along routes that have been identified as hazardous by the South Orange Village Department of Public Safety are eligible for transportation.

It should be noted that these non-remote counts are for those students whose home to school distance is less than or equal to two miles, but greater than one mile. If these programs were to be maintained, but courtesy busing eliminated there are additional students that the district would still be required to bus. Students that would be in the groups listed above but live more than two miles from the program (and therefore are not included in the above counts) are:

Jefferson Students from the Marshall area	118
Marshall Students from the Jefferson area	95
Seth Boyden Demonstration Program	63
ESL Program at Clinton Elementary	0
ESL Program at South Orange Middle School	4
“Hazardous route” to Marshall*	0
“Hazardous route” to South Mountain*	<u>36</u>
Total remote students transported:	316

Courtesy Busing to Columbia High School

The Superintendent may grant courtesy transportation to non-remote students requesting to walk to an existing remote bus stop near their home if there are empty seats on the bus. Courtesy busing is currently offered to Columbia High School students who reside in the Newstead area of South Orange. Currently there are 4 students who require transportation from this area (live more than 2.5 miles from Columbia High School), and approximately 40 students who receive courtesy busing.

If this courtesy busing was eliminated, it may be possible to transport the 4 students mandated transportation with a smaller bus so that the District’s larger bus and driver could be used to transport students on a route to Seth Boyden that is currently contracted for a savings of approximately \$45,000. However, this courtesy busing has been offered for many years and ridership on this bus is nearly full. This route is also piggy-backed with a bus to Montrose School. This courtesy busing to Montrose would also have to be reduced to allow this bus to be used for the contracted Seth Boyden route.

South Mountain and Annex Shuttle

A shuttle bus service is provided between South Mountain and the Annex. Kindergarten and first grade students in the South Mountain area may walk to South Mountain and ride the shuttle to the Annex. Students in grades 2-5 may walk to the Annex and ride the shuttle to South Mountain. Over 200 students take advantage of the shuttle.

Non-Public School Transportation

When a school district is required to provide remote busing to public school students, it is also required to provide remote busing to certain nonpublic school students. A school district may decide to pay the parents of these nonpublic school students an amount of

money (established by the state) in lieu of busing. The established rate for the 2005-06 school year is \$794. If the cost of providing transportation exceeds this amount, aid in lieu of transportation reimbursement is provided to the student.

# Non-Public Students	# Students Transported	# Paid Aid in Lieu
743	102	641

The three routes that are contracted to provide transportation to non-public schools (Oak Knoll, Kent Place, and Seton Hall Prep) cost the District \$66,541.60, or \$652.37 per student based on the 102 students being transported. Aid in Lieu of payments for 2005-06 are expected to be \$508,954 based on 641 students transported at a rate of \$794 per student.

Transportation Efficiencies

Past budget analyses have reviewed the entire transportation program and identified efficiencies which were incorporated into the current program. The District employs full-time and part-time drivers. Full-time drivers have some free time in the current routing schedule, but the schedule is compact and the flexible driver time is necessary for back-up in situations of driver absences or unforeseen delays. Additionally, proposals to bring special education programs in-district will likely require increased busing and therefore put higher demand on our drivers and routes.

Contracted Routes versus District-Owned Buses

Contracted Routes:	Cost of tiered route (1 bus doing 2 routes)	\$38,000-40,000
	Cost of single route (1 bus doing 1 route)	\$43,000

In-House Routes (regular education students):

Driver (salary + benefits for 0.5 FTE)	\$27,000
Depreciation for bus (\$70,000/12 years)	5,800
Annual Maintenance for bus	<u>5,300</u>
Total Cost – Regular Education Route	\$38,100

As the above figures indicate, the contracted routes are competitive with the cost of district transportation. District transportation costs increase when a 0.8 FTE or 1.0 FTE driver is used. However, these drivers are then assigned to handle a mid-day route, and other daily assignments such as fueling the buses, etc.

Transportation costs for Special Education routes are higher than regular education routes due to the door-to-door service and any other requirements that are stated in the IEP, which often requires an aide to be on the bus.

Subscription Busing

State law allows a school district to provide subscription busing to defray the cost of non-remote busing. Subscription busing is a program where the district offers busing to parents at a fee to cover all or part of the costs of the non-remote busing. Parents of students qualifying for free or reduced price meals under the state school lunch program are not required to pay for the busing. If the Board were to consider a reduction in non-statutory transportation, subscription busing is one way to offer the service while increasing revenue to offset transportation expenses. It is recommended that the District explore the feasibility of implementing a subscription busing program. However, any anticipated savings would need to be weighed against the costs of establishing and administering a billing system for the program, which are expected to be substantial.

Field Trip Expense

The district currently has two to three buses available during the day for field trips depending on the timing of the trip. Schools are currently not charged for these trips. Overtime expenses for drivers to cover these trips are approximately \$40,000 per year, which includes daytime field trips as well as after school athletic trips. Additional charges incurred by providing this transportation include maintenance charges and fuel expense. If a bus is not available for a field trip, the school has the option of hiring a bus from an approved transportation provider list. Typically the expense for this outside transportation is built into the cost to the student of the field trip. It is recommended that the District explore the feasibility of recouping the field trip expense for district transportation. Again, any anticipated savings would need to be weighed against the costs of establishing and administering a billing system to charge the schools for the use of buses for field trips. These charges could then be built into the cost of a field trip just as the expense of outside transportation would be recovered.

Summary

The transportation program in the District is an efficient operation that does not appear to have any prospect for significant savings without impacting large numbers of students by eliminating non-remote and courtesy transportation or implementing a subscription program. The cost of implementing and administering such a program would reduce the amount of savings that could be realized.