

TOMS RIVER REGIONAL SCHOOLS

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DEPARTMENT OF EDUCATION

SEP 17 1999

OFFICE OF ASSISTANT COMMISSIONER
EXECUTIVE SERVICES

September 10, 1999

David C. Hespe, Commissioner
State of New Jersey
Department of Education
PO Box 500
Trenton, NJ 08625-0500

Dear Mr. Hespe:

Please find enclosed the final report for the Transportation Study Committee from the CEIFA study group. On behalf of the committee, I wish to thank you for the opportunity to serve and share information with our colleagues regarding transportation related issues.

We sincerely hope that the group's recommendations will be helpful to the future of transportation funding.

If we can be of further assistance, please do not hesitate to call. On a personal note, I look forward to seeing you in our district on September 22nd.

Sincerely,

Michael J. Ritacco
Superintendent of Schools
Chairman, CEIFA Transportation
Sub-Committee

MJR:sf

Attachment

c: Linda Wells, Director, Office of Pupil Transportation
CEIFA Study Group Members





CEIFA TRANSPORTATION STUDY GROUP EXECUTIVE SUMMARY

In early spring 1999, Governor Whitman and the legislative leadership agreed to bring together a group of field practitioners, during the summer months, for the purpose of studying the impact of the CEIFA legislation on local school communities. As a part of this effort, the CEIFA Transportation Study Group was established, and began meeting on June 22, 1999. The transportation study group continued to meet throughout the summer, including a session in which they received public comments on the impact of CEIFA on school transportation. The transportation study group included the following members:

Michael J. Ritacco, Superintendent, Toms River Regional – Chairperson
John Calavano, Business Administrator, Board Secretary, Franklin Township
Paul Harren, Superintendent, Washington Township
Wayne Holliday, Board Secretary/Business Administrator, Monroe Township
Richard Kaplan, Superintendent, Boonton Public Schools
Thomas Rende, Assistant Superintendent, Lenape Regional High School District
Linda Wells, Director, Office of Pupil Transportation, Department of Education.

During the course of their meetings, the transportation study group discussed: the CEIFA transportation aid formula and possible changes to that calculation; the school transportation efficiency plan contained within CEIFA; the busing of children for safety reasons who live less than remote from their school; and nonpublic school transportation issues. In addition, the group thought it important to review state law governing the retirement of school vehicles, possible amendments to the subscription busing law, and potential legislation which would permit the renewal of transportation contracts beyond the current thirty percent cap but limited to increases in the consumer price index.

The transportation study group's discussions have resulted in the following recommendations.

- The "constant" factors contained in the CEIFA state transportation aid formula should be re-evaluated to take into consideration the size of school districts, enabling "like district grouping factors" to play a role in the distribution of state transportation aid.
- The provision of busing students, for safety reasons, who live less than remote from their schools should be factored into the calculation of school transportation efficiency.
- Legislative change should be sought to amend the aid in lieu of transportation amount paid to nonpublic school parents to equal the amount of state aid paid to school districts for these students. A provision to eliminate the requirement to pay aid in lieu of transportation when applications are received after transportation services have been arranged should also be included.
- The Department of Education should support legislation to permit the renewal of transportation contracts beyond the current thirty percent limit within the CPI.
- Legislative change should be sought to expand the existing subscription busing (parental payment) law to include other forms of non-mandated services at local discretion.
- The Department of Education should consider placing the purchase of school buses outside the district budget cap, as well as, the cost of transporting charter school students.

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1. The first part of the document is a list of the names of the persons who have been appointed to the various positions of the Board of Directors of the Corporation. The names are listed in alphabetical order, and each name is followed by the position to which he or she has been appointed. The names are as follows:

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CEIFA TRANSPORTATION STUDY GROUP FINAL REPORT

The CEIFA study group, established for the purpose of studying the impact of the CEIFA on local school communities, began meeting on June 22, 1999. The transportation study group continued to meet throughout the summer, including a session in which they received public comments on CEIFA's impact on school transportation.

Discussion Topics

During the course of their meetings, the transportation study group discussed a number of issues affecting the efficiency of school transportation operations. These issues were grouped into those matters directly related to state funding and matters of primary importance to local boards of education as they seek to provide safe and efficient transportation for their students.

The CEIFA State Transportation Aid Formula

Two primary aspects of the CEIFA transportation aid formula were discussed: the formula cost coefficients and the efficiency rating calculation. A suggestion was made that the Department of Education should analyze data submitted by local boards of education, including transportation costs, to determine if "like district grouping factors" should play a role in the distribution of state aid. In addition, there was some discussion that aid should "follow students". That is, districts accepting students transferring from another school district after the October 15 student counts are taken for state aid, should receive the aid generated by that transfer student. Finally, discussions were held concerning the effect of longer distances generally traveled along routes servicing nonpublic and charter school students on a district's fiscal resources and their ability to meet the state efficiency standard. This transportation may warrant the development of separate factors to reflect the added cost of transporting nonpublic and charter school students.

School Transportation Efficiency Plan

The school transportation efficiency plan was also discussed in great detail. The study group was in general agreement that students transported for safety reasons should be included in the school transportation efficiency calculation, and costs should be factored into each school district's transportation efficiency rating. As a part of this effort, a method should be developed by the Department of Education for the determination of per pupil costs for transportation. In addition, some members questioned whether all transportation services, including field trips and athletic runs, should also be factored into a district's efficiency rating.

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Safety Busing

The study group discussed the busing of children who live less than remote from their schools. Study group members first explored the idea of reducing the current mileage requirements for mandated transportation, requiring transportation for safety reasons of students who are not eligible for transportation under current law. Transportation aid could then be calculated according to mileage, with transportation for students living shorter distances from their schools having different cost factors than those transported further distances. Again, the study group was in general agreement that most districts transport students who do not meet the current mileage requirements for safety reasons, not as a courtesy, and should be included in the school transportation efficiency calculation. This should be the case whether or not the distance requirements are changed in the law.

Nonpublic and Charter School Transportation

Issues affecting the transportation of students attending nonpublic schools were also discussed at some length. Group members described the difficulties of transporting small groups of students often long distances to their private schools. The difficulties of coordinating nonpublic school transportation, limited ability to alter school calendars and school hours, as well as the impact of this transportation on district transportation efficiency, were also discussed. In addition, the study group focused on the fiscal impact on local district budgets of the mandated maximum nonpublic school expenditure and paying aid in lieu of transportation. Many felt that the nonpublic school aid in lieu of transportation amount should equal the amount a district receives in state aid for these students. In most cases, the statutory amount to be paid as aid in lieu of transportation for each student exceeds the amount that a board of education receives in state aid for that student's transportation. Furthermore, aid in lieu of transportation should be denied when applications are submitted to the board of education after transportation services have been arranged. The savings realized from changing the law to equalize the aid in lieu of transportation amount to the state aid amount could be more prudently used to fund safety busing which is currently a local expense. Another alternative, of course, would be to increase the state aid for nonpublic school students to the maximum expenditure.

Similar concerns were expressed related to the transportation of Charter School students. The new mandate imposed on boards of education is not adequately funded. Districts located within the "region of residence" of a charter school are particularly harmed because no limit is placed on the cost of transporting these students. As with nonpublic school transportation, the local board of education has no ability to coordinate calendars or school times. The study group seeks relief from this mandate by placing the cost of transporting charter school students, and choice students, outside the budget cap.

Legislative and Other Issues

The following legislative issues were discussed because they directly impact the financial decisions facing boards of education affecting efficiency. First, study group members expressed concerns about the statutory requirement for the retirement of school buses after twelve years, and explored the possibility of proposing amendments to the current state law to extend the life of these vehicles. Since the time the retirement law was enacted, many safety and manufacturer design improvements have been made in the construction of school buses that warrant support for this proposal. In addition, most other states do not set limits on the number of years a school bus may be in service. It was also pointed out that the cost of replacing vehicles, since the enactment of the law, has significantly increased draining district budgets. In some cases, the replacement of buses is outside a board's resources which makes them unable to maintain their existing fleet size. This concern could be addressed by extending the life of well-maintained vehicles and placing bus purchases outside the budget cap. Some members expressed interest in a state contract for the purchase of school buses. Such a contract would enable even the smallest school districts to take advantage of the lower prices usually made available only through volume buying.

Secondly, the group discussed possible amendments to the subscription busing law, and questioned whether the law should be amended to permit other forms of parental paid non-mandated busing at the discretion of local boards. These additional subscription services would serve the community without draining school budgets. One such service which should be considered is the transportation of students attending nonpublic schools located more than twenty miles from their homes.

Finally, the group members seek Department of Education support for proposed legislation that would permit the renewal of transportation contracts beyond the current thirty percent cap, limiting these renewals instead to increases in the consumer price index (CPI).

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Conclusions

The CEIFA transportation study group acknowledges the fiscal burden that certain suggestions would place on state funding, such as mandated safety busing. We, therefore, limited our recommendations regarding state aid to realistic solutions to the concerns expressed by the group. Recommendations are also being made to promote long term relief from outdated mandates and to promote improved efficiency. The group seeks Department of Education support for the recommendations being made, which, over time, should produce savings on both the state and local level. These savings should then be directed to local boards of education as rewards for efficient practices.

It should be noted that the comments, which were received from the public, mirrored the committee's view regarding safety busing.

Recommendations

- The "constant" factors contained in the CEIFA state transportation aid formula should be re-evaluated to take into consideration the size of school districts, enabling "like district grouping factors" to play a role in the distribution of state transportation aid.
- The provision of busing students who live less than remote from their schools for safety reasons should be factored into the calculation of school transportation efficiency.
- Legislative change should be sought to amend the aid in lieu of transportation amount paid to nonpublic school parents to equal the amount of state aid paid to school districts for these students. A provision to eliminate the requirement to pay aid in lieu of transportation when applications are received after transportation services have been arranged should also be included.
- The Department of Education should support legislation to permit the renewal of transportation contracts beyond the current thirty percent limit within the CPI.
- Legislative change should be sought to expand the existing subscription busing (parental payment) law to include other forms of non-mandated services at local discretion.
- The Department of Education should consider placing the purchase of school buses outside the district budget cap, as well as, the cost of transporting charter school students.