



Date: April 23, 2014

To: Members of the Joint Legislative Program Evaluation Oversight Committee

From: North Carolina Pupil Transportation Association (NCPTA)

Re: Response to committee meeting held on April 16, 2014 regarding public school transportation

Dear Legislators,

The North Carolina Pupil Transportation Association (NCPTA) is comprised of transportation professionals across the state who are interested in the betterment of public school transportation in North Carolina. The association strives to incorporate a higher standard in the operation and maintenance of North Carolina's public school transportation program. On April 16, 2014 many members of NCPTA listened to the Joint Legislative Program Evaluation Oversight Committee's discussion of public school transportation. NCPTA members believe additional information regarding school district transportation services should be considered before any legislation proposing changes to those services or funding levels moves forward.

The following are key points that were discussed at the committee and additional information that NCPTA believes this committee and all lawmakers should consider.

Cut to Transportation Funding – Reduce 10% funding “buffer” to 5%

DPI's comments are accurate in that LEAs will experience a cut in funding. However, DPI fails to point out that Transportation Services in N.C. have faced budget cuts during recent years of over 5%, and this does not include the shortfalls in fuel funding during

this same time frame. The proposed 5% reduction in the funding buffer is an additional cut that cannot be absorbed by school districts without compromising services to students or their safety. In addition, other recent requirements have increased the financial burden for school district transportation services, and those factors need to be considered before other cost increases are proposed for LEAs. Those factors include:

- The federal McKinney Vento law that requires LEAs to transport homeless students, often from one end of a county to the other or even across county lines, is increasing school district transportation costs and creating logistical constraints.
- The additional cost of transporting exceptional children with modified school day schedules has increased simultaneously with an increase in the exceptional children population and the correlating increase in Individualized Education Plans to accommodate their specific educational needs.
- The costs for school bus parts, fuel and supplies have been increasing annually at the same time school districts have been facing cuts in transportation services funding. (Example: tire costs have increased over 35% in three years).
- Many LEAs have experienced problems with buses manufactured by a particular vendor that have raised maintenance costs significantly, increased downtime and caused LEAs to utilize spare buses at a higher than normal rate.

Sale of Spare Buses

The sale of buses already declared as surplus is something DPI has engaged in over the years. There is no issue with continuing to dispose of those buses while trying to maximize the return on those buses. However, if the current proposal calls for cutting the number of existing spares by roughly half, then that cannot be accomplished without an adverse financial and logistical impact on school transportation services, especially given the other constraints now facing school districts as noted above. Reducing spare buses ultimately could mean more students will be delayed in arriving to school and will miss instructional time as a result.

Reduction of Bus Parts Inventory

Nearly every LEA has cut back inventory stock over the last several years. All LEAs realize that school bus parts sitting on a shelf are simply funds that could have been used elsewhere. However, due to an overall poor economy both locally and nationally, bus parts suppliers also have reduced their inventory, meaning needed parts are not as readily available as in the past. Delivery time for needed parts has changed from same-day or next-day, and now many LEAs must wait several days for needed parts to arrive. Any mandate to reduce bus parts inventory would exacerbate this problem and adversely impact transportation services and the students who depend on them.

Require Purchase of High Volume Parts from State Contract

State contract pricing is a good idea for the State of North Carolina; theoretically, parts and fuel may be purchased at the best price when utilizing state-negotiated

contracts. However, the benefit that many LEAs get from the state contract pricing is a comparison price point to see how much additional money may be saved when utilizing competitive bidding on a daily basis. A large number of LEAs price parts and fuel daily and experience a significant savings over and above the state contract pricing. To require LEAs to use the state contract for the purchase of parts or fuel when competitive bidding saves the state money is not a sound, financial decision. Perhaps requiring all state agencies to utilize competitive bidding would save much more money than requiring LEAs to buy solely through the state contracting process.

DPI Inspection Program

While well intended, the DPI-sponsored school bus inspections program is too complicated and does not accurately reflect the condition of the state's school bus fleet. The program has ballooned into literally hundreds of defects that are impossible for mechanics or inspectors to accurately track, check and visually inspect to ensure a vehicle is safe. It is recommended that LEA transportation professionals across the state work with DPI to completely overhaul the inspections program to focus on the safety of school buses and to require DPI inspectors to spend more of their time actually in the LEA inspecting a larger number of buses.

In order to properly address these issues and answer any questions, the NCPTA requests the opportunity to meet with the Joint Legislative Program Oversight Committee. The views presented at the last meeting failed to include significant logistical and financial implications that should be considered before changes are proposed for school transportation services. NCPTA contact information is provided below. We appreciate your consideration and look forward to the opportunity address these issues with the committee directly.

Sincerely,

David Twiddy
NCPTA President