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## **MEMORANDUM NO. 2017-061**

- TO: School District Superintendents Business Managers Transportation Supervisors
- **FROM**: Brent Bacon, Chief Academic Officer
- DATE: May 8, 2017
- SUBJECT: Pupil Transportation Funding

# CHANGES TO PUPIL TRANSPORTATION FUNDING

House Enrolled Act 0125 (originally House Bill 0236) provides controls for reimbursements to school districts through the Wyoming Funding Model's pupil transportation component. The Wyoming Department of Education (WDE) is providing additional details on the purchasing or leasing of school buses, as well as the level of funding provided to school districts for transportation maintenance and operations.

### **Emergency Bus Replacement Guidance**

HEA125 states that bus replacement will only be granted on an emergency basis. Chapter 20 rules on Pupil Transportation define what is considered an emergency. According to HEA 0125 (m): No district shall purchase a school bus or enter into a new lease for a school bus on or after March 15, 2017 unless it first applies to the department and the department determines that an emergency exists necessitating the purchase or lease of the bus.

Wyoming Department of Education Chapter 20 rules on Pupil Transportation define what is considered an emergency. Chapter 20, Section 9 (g) (i - iii) defines emergency as follows:

<u>Section 9(g)(i)</u> - "The bus is a total loss as a result of an accident"

Determination criteria:

a. Total loss is determined by local district insurance carrier.

<u>Section 9(g)(ii)</u> - "The bus is used in severe service and is not cost effective to keep in the fleet, as shown by appropriate documentation."

#### Determination criteria:

a. Cost effective is defined as the bus having cumulative repair costs or estimates for repairs that exceed 20% of the original purchase cost. Cost of repair refers only to repairs necessary to the primary driving function of the vehicle. The problem must substantially impair the usage of the vehicle or produce a serious safety hazard. Determination of whether the repair is related to a primary driving function shall be made by the WDE.

b. All required documentation requested in Severe Service Criteria Form.

<u>Section 9(g)(iii)</u> - "The bus was a 'lemon' as shown by work orders or other documentation as well as review by a third party."

Determination criteria:

a. A lemon is any vehicle that within any three year time period has undergone two or more substantial repairs, each repair costing 8-14% of the vehicle's original purchase price. Specifics related to required work orders and documentation are contained in Lemon Criteria Form.b. After all documentation has been provided and WDE determines the vehicle is a lemon, a third-

party review will assist in determining if the vehicle in question is a lemon.

#### **Transportation Maintenance and Operations Funding**

In accordance with <u>W.S. 21-13-309(m)(v)(E)(I)</u>, allowable pupil transportation expenditures reported for SY 2016-17 will be included as part of each school district's calculated Funding Model guarantee for SY 2017-18. Beginning with SY 2018-19, amounts resourced through the school foundation formula for transportation maintenance and operations will be an average of the amounts received by school districts during SY 2014-15, 2015-16 and 2016-17. Final allocations will be subject to adjustments for refunds of prior year expenditures and audit reviews conducted under <u>W.S. 9-1-513</u>.

For fiscal reporting purposes, transportation expenditures will continue to be collected through the WDE103-Reimbursable Pupil Transportation Expenditures data collection. Transportation expenses are required to be reported in accordance with the uniform school district chart of accounts and meet the requirements of W.S. 21-13-320 and <u>Chapter 20</u> of WDE Rules and Regulations.

For more information on emergency bus replacement, contact David Koskelowski, State Director/Pupil Transportation, at 307-777-6984 or <u>david.koskelowski@wyo.gov</u>.

For more information on funding model allocations for pupil transportation, contact Jed Cicarelli, School Foundation Supervisor, at 307-777-5808 or <u>jed.cicarelli@wyo.gov</u>.

Attachments: Lemon Criteria Form Severe Service Criteria Form