

# MASBO Annual Conference

## Special Education Transportation Reviews

### How to Save Money

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# Cost Factors Affecting Transportation Services

- Not all special education students can be serviced in-district
- Students may require a monitor, nurse, adaptive equipment
- Districts utilize the 7D vehicle to transport at an average vehicle cost of \$30,000 to \$40,000 annually based on 180 days
- More programs are operating between 200 and 220 days
- Based on the October 1 DESE Census for FY2017 10,491 students attended 412 special education out-of-district schools/programs

# October 1 DESE Census FY2017

PROGRAM TYPE	NUMBER OF SCHOOLS/PROGRAMS	NUMBER OF STUDENTS
Collaborative Programs	197	4,110
Private Schools	132	5,762
Other	83	619
<b>TOTAL</b>	<b>412</b>	<b>10,491</b>

# Transportation Costs FY16 Schedule 7

- Total Cost for All Special Education Transportation was \$310,061,855 for 54,901 students
  - this includes both in-district and out-of-district transportation to all special education programs.
- The cost of out-of-district transportation in FY16 was \$108,718,383 represented by 9,587 Riders
- Cost per student \$11,341

# Total Cost of Special Education Transportation FY 2016

TYPE OF PROGRAM	EXPENDITURES	# OF STUDENTS	PRICE/STUDENT
Preschool	\$41,561,649	9,097	\$4,569
Public School Programs	\$155,398,946	35,881	\$4,331
Public Separate Day Schools	\$48,431,483	4,563	\$10, 614
Private Day Schools	\$59,110,458	4,706	\$12,562
Private Residential Schools	\$4,514,217	478	\$9,444
Homebound/Hospital	\$389,610	87	\$4,478
Public Residential	\$655,492	89	\$7,365
TOTAL	\$310,061,855	54,901	

# Total Costs for Out-of-District Transportation FY2016

TYPE OF PROGRAM	EXPENDITURES	# OF STUDENTS	PRICE/STUDENT
Preschool	\$ 2,622,546	279	\$ 9,400
Public School Programs	\$ 10,121,281	975	\$ 10,381
Public Separate Day Schools	\$ 32,545,718	3,129	\$ 10,401
Private Day Schools	\$ 57,974,852	4,568	\$ 12,692
Private Residential Schools	\$ 4,453,640	470	\$ 9,476
Homebound/Hospital	\$ 366,302	80	\$ 4,478
Public Residential Institutions	\$ 634,044	86	\$ 7,373
TOTAL	\$ 108,718,383	11,340	

# Special Education Transportation Task Force

- In 2003 representatives from MASS, MOEC, maaps, MAPT and ASE organized to discuss rising costs in out-of-district special education transportation
- A State Wide Task Force was created in 2004
- Preliminary study showed significant cost savings by consolidating routes
- For the past several years the Massachusetts Legislature and the Department of Elementary and Secondary Education have funded initiatives to reduce cost of out-of-district transportation

# Task Force Members

- **Massachusetts Association of School Superintendents**
- **Massachusetts Organization of Educational Collaboratives**
- **Massachusetts Association of School Business Officials**
- **Massachusetts Association of School Committees**
- **Massachusetts Association of Special Education Administrators**
- **Massachusetts Association of Approved Private Schools**
- **Massachusetts Association of Pupil Transportation**



# What Can be Done to Create Efficiencies?

- Utilize a shared multi-district approach
- Participation in a regional transportation network or Collaborative
- Information arrangements made between towns/districts
- District owned and operated transportation
- Bid special education transportation to receive competitive prices

# Cost Savings

- Significant savings can be realized when several districts share vehicle costs
- Vehicle cost divided by the number of districts on the vehicle

# Cost Savings Example

- Significant cost savings can result if districts share routes

## Cost Savings Example

<u>District</u>	<u>Current per Day Cost*</u>	<u>Cost Avoidance*</u>	<u>Annual Savings180 Days</u>
Boxford PS	\$71.60	\$215.00	\$25,812.00
Newburyport PS	\$71.60	\$215.00	\$25,812.00
Topsfield PS	\$71.60	\$215.00	<u>\$25,812.00</u>
<b>Combined Cost Avoidance (Savings):</b>			<b><u>\$77,436.00</u></b>

\*Hypothetical figures based on past data collected

# Resources Available

- A website was developed in FY2012 to show the October 1 DESE Data

[www.spedtranssavings.org](http://www.spedtranssavings.org)

- This data can assist in identifying contiguous districts to explore potential ride sharing

# Resources Available

- The Massachusetts Association of Pupil Transportation was awarded a contract from the Department of Elementary and Secondary Education
- Activities include conducting Special Education Transportation reviews with a 50% contribution from the district
- Scope of Work to be Conducted
  - Review all contracts and in-house operations if appropriate
  - Explore option of district operated program
  - Conduct analysis of transportation budget and route costs
  - Review IEP process
  - Other areas the district would like addressed

# What Have We Learned From Some of the Reviews We Have Completed?

- **Maximizing** vehicle load is key to savings
- Makes sense to see if neighboring/contiguous communities also have children attending same out of district school
- Sometimes this is not possible
  - Some students need to ride alone
  - Age differences
  - Geography between schools and/or home
  - Existing contracts with vendor(s)

# What Have We Learned From Some of the Reviews We Have Completed?

- Seek competitive pricing for out of district routes
- Allow vendor to add students from other districts for a ride share and provide that information to the districts
- Assign someone in district to handle all aspects transportation
- Discussion at the IEP meeting impacts transportation costs
  - Does the student require specialized transportation and why
  - Does the student require a monitor

# Challenges

- Parents may not want child riding with students from other districts
- Length of ride
- Frequent changes to routes
- Special conditions for monitors and/or wheelchairs



# Collaborative Transportation Systems

- Many Collaboratives coordinate regional sped transportation
- 26 Collaboratives Statewide, 38% of them offer transportation services to approximately 98 cities and towns

# Many Different Ways Collaboratives Have Assisted Member Districts To Reduce Transportation Costs

- Purchase or lease vehicles and hire drivers to provide this service
- Place out to bid listing of students from member districts who attend similar out of district schools
- Coordinate routes on behalf of districts. Work with receiving schools and parents
- Invoice districts rather than vendor invoicing districts. Check bills then pay vendor

# One Example Of How Collaboratives Work And What We Have Learned?

LABBB/EDCO Transportation Network

# History Of LABBB/EDCO Network

FY2007 (LABBB)

Many meetings (Arlington, Burlington, Lexington)

First effort-21 students attending 5 out of district programs

# After 10 Years Of A Collaborative Transportation Effort

Seven Districts Now Involved: Arlington, Belmont, Burlington, Lexington,  
Waltham, Watertown, Weston

FY16-FY18 Three year bid

- 461 students (FY16)
  - 36% (174) going to 20 in-district programs
  - 64% going to 86 different out of district programs

These students attend over 100 different schools/programs in 41 different towns

Range Of Bids Per Run-\$95-\$250

# NUMBER OF STUDENTS ALWAYS SEEMS TO GROW

## FY16

- SEPTEMBER 2015-446 STUDENTS
- JUNE 2016-515 STUDENTS

## FY17

- SEPTEMBER 2016-481 STUDENTS
- JANUARY 2017-511 STUDENTS

# The Key Is Maximizing Vehicle Capacity And Sharing Route Costs

Without formal collaboration these students may have been on separate vehicles or vendor may have placed them on same vehicle and districts may have been charged full cost of van price



# FY17-SUMMARY-SHARING OF VEHICLE COSTS

## LABBB/EDCO TRANSPORTATION NETWORK

District	Number of Out of District Schools that have students attending from Other Participating LABBB/EDCO Districts	# of Out of District Schools that do not have students from other participating districts also attending	Total # of Out of District Schools	Total # of Students
Arlington	22	1	23	46
Belmont	24	7	31	52
Burlington	8	8	16	20
Lexington	26	5	31	54
Waltham	26	9	35	61
Watertown	20	4	24	44
Weston	11	4	15	17

The average number of receiving schools/programs where there is cost sharing is 77%. The range of sharing is 50% to 96%

District	% of Out of District Schools that have students attending from other Districts	% of Out of district Schools that do not have students from other participating districts also attending
Arlington	96%	4%
Belmont	77%	23%
Burlington	50%	50%
Lexington	84%	16%
Waltham	74%	26%
Watertown	83%	17%
Weston	73%	27%

# Bids Created Competition

Five different vendors won runs

Received quite a range of prices

Low end of range=\$95\*208 Days=\$19,760/van

High end of range=\$250\*208 Days=\$52,000/van

Average vehicle cost=\$181\*208 Days=\$37,648/van

# Key Is Sharing Costs

TWO STUDENTS ON RUN---\$37,648/2=\$18,824 PER RIDER

THREE STUDENTS ON RUN---\$37,648/3=\$12,549 PER RIDER

FOUR STUDENTS ON RUN---\$37,648/4=\$9,412 PER RIDER

The Districts Decided That The  
Collaborative Would Hire A  
Person Who Would Coordinate  
The Transportation Network On  
Behalf Of The Member Districts

This person works with receiving schools/parents/districts/vendors

This Seems So Simple Why Doesn't It  
Happen Everywhere?

# Barriers To Collaborative Transportation

- Past Relationships With Vendors
- Parent Relationship With Driver
- Parent Concerns With New Vendor
- Parent Trust-child Being Driven Across Towns
- Past Experiences With “New Company”
- Administrators Thinking They Have A Good Deal Already
- If It Doesn't Go Well (Missed Pick-ups, Poor Driver, Etc.) It Occupies Much Time And Effort



# What Would It Cost If A District Leased It's Own Vehicles

	<u>Estimated Cost</u>
• ANNUAL VEHICLE COST (7D)-5 YEAR LEASE W/MAINTENANCE	\$ 6,634
• DRIVER WAGES	
• \$16/HR-5 Hours/day-208 days	\$ 16,640
• Fringe Benefits-really depends on health insurance	
• State Retirement	\$ 3,328
• Workers Compensation	
• Medicare cost	
• Health Insurance-could be as high as 16-19k	
• Long term retirement costs?	
• GAS (100 miles a <u>day@2.75/Gallon</u> ) 15 mpg	\$ 3,800
• INSURANCE	<u>\$ 2,500</u>
	\$ 32,902

(Other Items-Administration/Profit)

# Sometimes It Makes Sense To Lease/Purchase Your Own Vehicle/Hire Driver To Provide Service

- Average vehicle cost=\$181\*208 Days= \$37,648
- Estimated vehicle cost if leased by District or Collaborative= \$32,902
- Estimated Difference \$4,746

# Collaboration Means Working Together

- Have to decide how to share the cost of the runs
- Have to arrive at shared standards
- Have to decide who is the point person with vendors, schools and parents-lea or collaborative?

# Considerations

- Out-of-District transportation is the least efficient and the most expensive
- Bid out all outside Special Education runs as opposed to quoting each trip
- Vendor competition, research available vendors in your area

# Considerations

- Some vendors will share information with you for the best price while others are more guarded with their route information
- Know your neighbors
- The telephone can be your most valuable tool to secure a good price
- A few minutes invested can save considerable money

# Considerations

- What is the least restrictive environment for these students?
- Ride alone or ride with peers?
- Who is paying and who should be in control?

# CONTACT INFORMATION

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