

MASC/MASS Fall 2017 Conference

Granted: Special Education
Transportation Costs Are High, Could
They Be Less?

Colleen Cavanaugh, Massachusetts Association of Pupil Transportation

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
TOTAL	412	10,491

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 for all special education programs.
- The cost of out-of-district transportation in FY16 was \$108,718,383 represented by 11,340 riders as reported by districts
- Cost per student \$9,587

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
- Participate in a regional transportation network or Collaborative
- Informal arrangements made between 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>
Combined Cost Avoidance (Savings):			<u>\$77,436.00</u>

*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
- This data can assist in identifying contiguous districts to explore potential ride sharing
- Data available to show potential vendors within a 10 mile radius of a selected district

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 **annually** to support changes in ride share opportunities
- Allow vendor to add students from other districts for a ride share
- 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

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

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

Colleen Cavanaugh

508.829.2786

colleen_cavanaugh@outlook.com