

# Reimbursement Claim Form (CDE-40) and Audit Resource Guide

Effective June 2016

Office of School Finance  
Field Analyst Support Team (FAST)  
201 E. Colfax Ave., Room 203  
Denver, CO 80203  
[audit@cde.state.co.us](mailto:audit@cde.state.co.us)

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# Introduction and Overview

The purpose of this guide is to provide information to assist districts in the completion of the CDE-40 claim form, and to prepare districts for the subsequent audit of the submitted data and fund distributions.

This document is not intended to replace state statute or the “Rules for the Administration of the Public School Transportation Fund.” District staff are encouraged to refer to the “Rules” found [here](#), as well as to contact any member of the Office of School Finance or the Field Analyst Support Team (FAST) with any questions.

## How to Utilize This Guide

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Within each section of the Public School Transportation Fund and Reimbursement Claim Form CDE-40 Audit Resource Guide for 2016, there are subsections marked by icons to assist districts in identifying relevant information within the guide:



- **Magnifying Glass:** This symbol will accompany the overview or description of the topic being covered in the noted subsection of this guide.



- **Checklist:** This symbol identifies required audit “Documentation” that districts will be required to provide in order to evidence the amounts and data reported on the CDE-40 claim form.



- **Book:** This symbol identifies the “Reference” (i.e. board rule and/or state statute - if applicable) from which the noted requirements are derived. Districts are encouraged to click on the links to review the source documentation



- **Lightbulb:** This symbol identifies specific “Take Away” items or helpful hints relevant to a given section. Similar to a “Frequently Asked Question” (FAQ) Section, these items will provide clarification and additional guidance to districts



## **Public School Transportation Fund**

Under the “Rules for the Administration of the Public School Transportation Fund,” all public school districts that provide directly, or contract for, pupil transportation are eligible to receive reimbursement from this fund.

The Fund allows for districts to be reimbursed for a portion of the expenditures incurred in transporting pupils from home to school, school to school, and school to home (i.e. pupil route transportation). It does not allow for the inclusion of expenditures associated with pupil activities (i.e. athletics, field trips, and extra-curricular activities), or non-pupil transportation.

Because the transportation fund only reimburses a portion of the expenditures incurred in order to provide pupil route transportation, district staff must be aware of how their district tracks not only transportation related expenditures (both pupil and non-pupil), but must also be aware of the types of vehicles used (in whole or in part) by the district in order to transport students.

In order to determine the fund amount to which districts are entitled, each district must complete and submit a CDE-40 claim form (Public School Transportation Fund Reimbursement Claim form) to the Office of School Finance via the CDE website. As part of the fund oversight process, and to ensure fund payments are accurate, the Field Analyst Support Team (FAST) of the Office of School Finance at CDE conducts periodic audits of the information submitted on the CDE-40 claim form and subsequent fund distributions.

## **CDE-40 Claim Form**

### **Data Submission**

Completion of the CDE-40 claim form is due no later than Aug. 15 of each year. Based upon the information provided on the claim form, fund payments are made on or before Oct. 15. Districts are required to submit all requested data to the Office of School Finance via the CDE website by accessing the following link:

<https://cdeapps.cde.state.co.us/faqs.html> (click on the “Transportation: CDE-40” link on the left side of the screen, under Applications). Questions regarding this submission (including calculations and/or fund distribution) should be directed to the Office of School Finance.

### **Audit Documentation Retention**

In addition to submitting all required data on the CDE-40 form via the CDE website, districts **must** maintain and retain documentation evidencing the reported amounts and totals for five years, or until they are audited by FAST. ***Failure to do so may result in the district having to pay back all, or a portion of, the distributed transportation funds.***



## Data Fields

In order to be considered for fund distribution, districts must submit the following data electronically via the online CDE-40 claim form:

1. Total Current Operating Expenditures for Pupil Transportation
2. Mileage scheduled for Regular Pupil Transportation on the Mileage Count Date
3. Days School was in session and pupils were transported during the school term
4. Number of days for which room and board was paid for pupils in lieu of transportation
5. Capital Outlay (for instances where the district contracts out for pupil transportation)
6. Number of pupils who were scheduled to be transported to and from public school on the mileage count date
7. Total Actual Miles traveled for Activity Trips, Field Trips, Athletic Trips, etc.
8. Total Actual Miles Traveled for Any Purpose by Pupil Transportation Vehicles

In the event these data are not submitted, or if data are submitted incorrectly, the district's fund distribution may be affected. For audit purposes, district will only be required to provide documentation to support the following reported data:

1. Total Current Operating Expenditures for Pupil Transportation
2. Mileage scheduled for Regular Pupil Transportation on the Mileage Count Date
3. Days School was in session and pupils were transported during the school term
4. Capital Outlay (for instances where the district contracts out for pupil transportation)
5. Total Actual Miles traveled for Activity Trips, Field Trips, Athletic Trips, etc.
6. Total Actual Miles Traveled for Any Purpose by Pupil Transportation Vehicles

## Reference

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- [1 CCR 301-14, et Seq.](#)
- [http://www.cde.state.co.us/cdefinance/auditunit\\_transportation](http://www.cde.state.co.us/cdefinance/auditunit_transportation)
- The Expenditure Worksheet can be found here:  
<http://www.cde.state.co.us/cdefinance/sftransp>

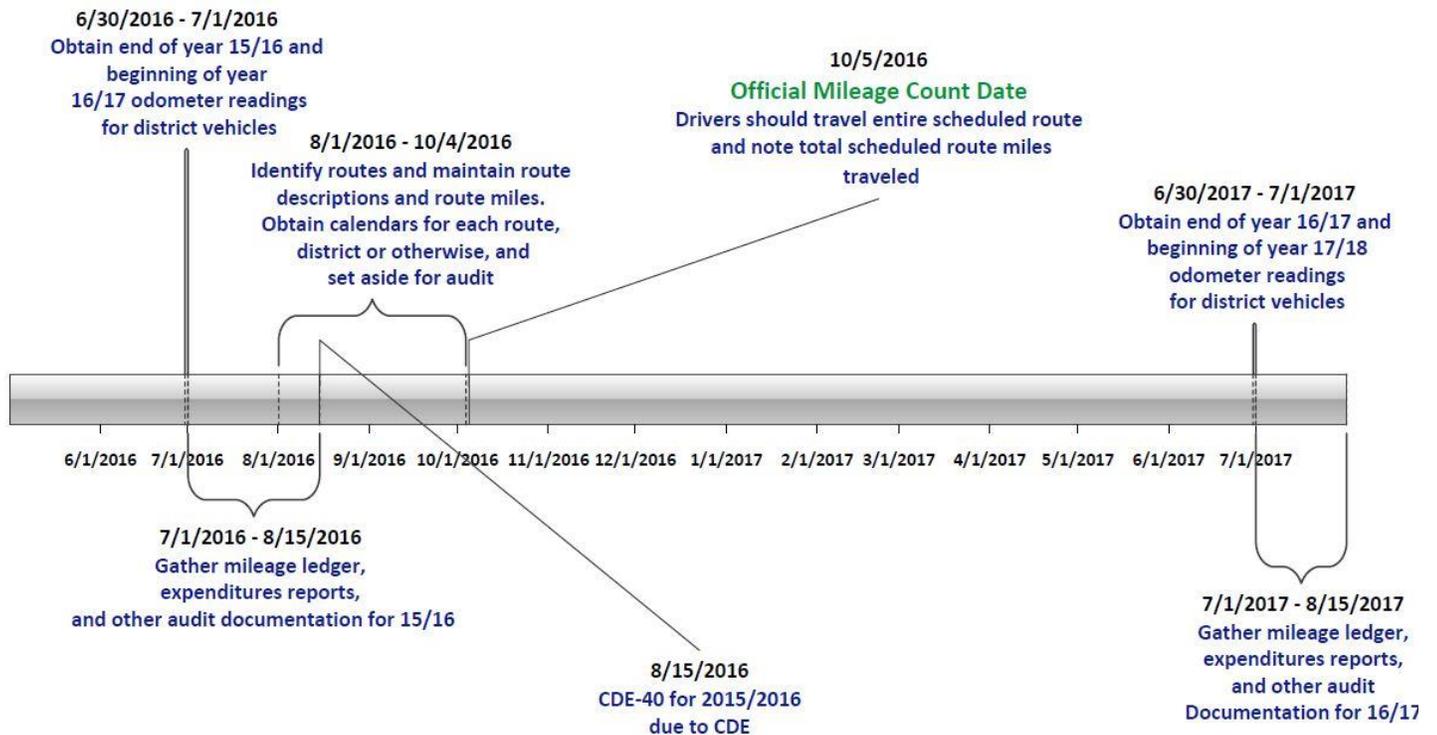
## Take Away



- For each of the required data fields, districts should keep in mind that they are only reporting data as it pertains to pupil transportation expenditures and mileage. Districts should ensure that when determining total current operating expenditures that they exclude non-allowable expenditures associated with pupil transportation vehicles, as well as expenditures related to non-pupil transportation. In addition, when reporting mileage, districts should ensure that non-pupil miles associated with pupil transportation vehicles are not included in the determination of the reimbursable percentage.

## CDE-40 Transportation Timeline

Effective June 2016



# Total Current Operating Expenditures

As defined in the Code of Colorado Regulations, current operating expenditures refer to:



“...actual expenditures, not including encumbrances, incurred during the entitlement period (July 1 – June 30) by a district transporting pupils from home to school, school to school, and school to home.”

## Non-Allowable vs Allowable Expenditures

When determining which expenditures should be included in the district’s total current operating expenditures, the district should be aware of those expenses that are allowable vs those that are non-allowable.

### **Allowable Expenditures**

Allowable expenditures are any expenditure that is incurred in order to transport students from home to school, school to school, and school to home (i.e. pupil route transportation). These expenditures can be claimed at either the direct cost of 100% (these are expenditures that are 100% attributed to pupil route transportation such as route driver salaries/benefits, contracted route transportation services, city bus passes for students, etc.) or at a prorated cost in which a reimbursable percentage is applied to the expenditure(s) to isolate the portion of the total expenditures attributed to pupil route transportation. The vast majority of pupil transportation expenditures are allowable at the prorated rate as these expenditures are incurred to transport pupils for any purpose (i.e. supplies, maintenance, repairs, fuel, etc.).

Allowable expenditures include, but are not limited to:

- Employment costs, including fringe benefits, for bus drivers
- Employment costs, including fringe benefits, for personnel paid exclusively for pupil transportation supervision and support services
- The allocated share of employment costs attributable to pupil transportation for employees with both pupil transportation and non-pupil transportation responsibilities
  - In situations where a district has non-transportation employees supporting pupil transportation functions, the district can determine the percentage of the non-pupil transportation employee’s time that is spent on pupil transportation, and then apply that percentage to the employee’s total salary and benefits to determine the amount that can be claimed at the prorated cost
- Fuel, oil, and other supplies for pupil transportation and pupil transportation support
- Utility expenditures for pupil transportation facilities
  - When facilities are shared between pupil transportation and non-pupil transportation functions, and separate expense information is not available, expenses should be allocated to the various cost centers. The allocation method must be supported by auditable documentation to include these expenses for reimbursement



- Repairs and maintenance on vehicles, equipment, and facilities used for pupil transportation only to the extent of restoration to original condition
  - CDE approval for this type of repair is not necessary since it is not considered capital outlay for reimbursement purposes
- Insurance premiums related to pupil transportation, the equivalent value of commercial insurance premiums of a self-insurance program contribution, and the net cost of self-insured repairs and replacements
  - Each year, the district should obtain a statement from its insurance provider specifically detailing which portion of premiums paid apply to pupil transportation for the applicable fiscal year
- Reimbursements to district-approved persons for transportation of pupils due to the absence of a district-established bus route (e.g. parent mileage reimbursement)
  - District-approved persons who transport pupils due to the absence of a district-established bus route are not considered independent contractors when they only transport members of their immediate family or themselves
- Contract services less the capital outlay exclusion (if applicable)
- Reimbursements to pupils who use public transportation
- Certain costs of additions and alterations to vehicles
  - Vehicles must have been owned by the district for a minimum of three years for costs of additions and alterations to be reimbursable. The following types of additions or alterations are allowable without prior approval from CDE:
    - Manual transmission to automatic transmission
    - Gas engine to diesel engine
    - Reflective tape on the outside of the vehicle
    - Electromagnetic or hydro magnetic retarder
    - Heated mirrors
    - Engine compartment noise reduction package (diesel engine front engine transit only)
    - Driver seat belt to current standards (locking retractor type)
    - Air brake drying system
    - Mirror system to provide a seated driver an unobstructed view of the front and front sides of a bus
    - Wheelchair lifts and other special modifications which are necessary to equip a school bus in order to transport children with disabilities
    - Automatic tire chains
    - Video surveillance cameras
    - Other additions or alterations with prior written approval by CDE which increase efficiency and or safety or are necessary to meet minimum standards

### **Non-Allowable Expenditures**

Non-allowable expenditures include non-route related pupil transportation expenditures, as well as capital outlay expenditures in excess of \$1,000 with a useful life of more than a year. Non-allowable expenditures include both pupil transportation expenditures (such as those related to pupil activities, field trips, extra-curricular activities, athletics, etc.), as well as non-pupil transportation related expenditures (such as those attributed to administrative or white fleet vehicles).



Non-allowable expenditures include, but are not limited to:

- Purchase, rent, lease, or lease purchase of capital outlay items such as vehicles, facilities acquisition and improvement, or new capitalized equipment
- Administrative, maintenance, personnel, supply, or other expenses applicable to non-pupil transportation related vehicles, facilities, or personnel
  - When vehicles, facilities, or personnel are shared, expenditures must be allocated to pupil vs non-pupil transportation. The allocation method must be supported by auditable documentation to include a portion of the expenditures for reimbursement
- Liability claims incurred and paid in providing pupil transportation
- Expenditures for school field trips, extracurricular trips, etc.

Reimbursable Percentage

Depending on the expenditures claimed in the total current operating expenditures, most districts will utilize a reimbursable percentage to determine the amount of a given expenditure attributed to route transportation. This reimbursable percentage is applied to those shared costs as outlined above (e.g. fuel, repairs, etc.). The reimbursable percentage is determined by the district’s reported total actual miles traveled for any purposes by all district pupil transportation vehicles, and the total actual miles traveled for school field trips, extracurricular trips, and athletic trips by pupil transportation vehicles. This percentage is calculated as follows:

(Total Actual Miles Traveled for Any Purpose by All district Pupil Transportation Vehicles)	Minus	(Total Actual Miles Traveled for School Trips, etc. by all district Pupil Transportation Vehicles)
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(Total Actual Miles Traveled for Any Purpose by all district Pupil Transportation Vehicles)

More information on the reimbursable percentage, and the miles used in determining the percentage, is provided in the “Actual Miles Traveled by Pupil Transportation Vehicles” section of this guide.

Deductions and Revenues

In the event a district receives grants and/or revenues that offset allowable expenditures, the district must reduce their current operating expenditures by those received. Exceptions to this include transportation fees and transportation override levies approved at an election.

Examples of revenues that must be deducted from the district’s current operating expenditures include, but are not limited to:

- Payments received for summer and preschool pupil transportation programs
- Payments received from other school districts to furnish transportation
- Revenue for transportation from federal sources



### Yellow vs White Fleet Expenditures

A pupil transportation vehicle means any vehicle used in whole or in part for the purpose of providing pupil transportation.

In general, districts have two types of vehicles:

1. Pupil transportation vehicles ('yellow fleet')
  - Vehicles used exclusively for pupil transportation (e.g. buses)
  - Vehicles used for both pupil and non-pupil transportation (e.g. suburbans)
2. Non-pupil transportation vehicles ('white fleet')
  - Vehicles never used to transport pupils (e.g. maintenance trucks, plows, food services vehicles, administrative only cars, etc.)

In the event a district has a separate yellow fleet (all vehicles used exclusively to transport students) and white fleet (all vehicles used exclusively for non-pupil transportation), and all expenditures for these two fleets are tracked separately, then the district should ensure that it is only reporting those expenditures attributed to the yellow fleet.

If, however the district does not separate out expenditures attributed to both the yellow and the white fleet, **OR** if the district has vehicles that are used for both pupil AND non-pupil transportation, and expenditures for those dual use vehicles are included with the yellow fleet expenditures, then the district must have a mechanism in place to isolate those expenditures associated with pupil transportation prior to applying the reimbursable percentage. In most cases, the district will apply a reasonable cost per mile in order to adjust shared cost expenditures (e.g. vehicle insurance, fuel, maintenance, and repairs). As of June 2016, the State of Colorado's fleet management team identified a reasonable cost per mile for small vehicles of 20 cents. In the event a district needs to use a reasonable cost per mile, the district can either determine an appropriate rate based upon its own fleet, or in the absence of a reasonable cost per mile, may use the state fleet rate of 20 cents per mile.

For example, if a district uses a suburban for both pupil and non-pupil transportation, and the expenditures attributed to this suburban (e.g. insurance, fuel, maintenance, and repair) are included in the shared cost expenditures, the district will need to identify how many miles driven by the suburban were attributed to non-pupil transportation and multiple those miles by 20 cents to determine the total amount of the shared costs that should be reduced for the non-pupil miles prior to applying the reimbursable percentage.

### Capital Outlay

Districts that contract for the majority of their route transportation are required to obtain the necessary information from the independent transportation vendor providing the student transportation in order to accurately report the depreciation value on their CDE-40 claim form. In order to arrive at the depreciation value, the district will need to complete the Capital Outlay Depreciation Schedule (available on the CDE website at [www.cde.state.co.us/cdefinance/sftransp](http://www.cde.state.co.us/cdefinance/sftransp)).



Prior to completing the depreciation schedule, the district will need to collect the following information from the independent transportation vendor:

1. List of all vehicles used to transport district students from home to school, school to school, and school to home
2. For each vehicle:
  - Age
  - VIN number
  - Purchase price
  - Percentage of time vehicle is used to transport students for route purposes (typically 100% unless the vehicles are also used to transport students for activities, athletics, field trips, etc.)

The formula used to calculate the exclusion is based upon the valuation of the independent transportation vendor's bus fleet and any other consideration described in the contract. The year of manufacture and the acquisition cost are required for each bus less than ten years old.

## Documentation



- District work paper(s) explaining how the claimed total current operating expenditures reported on the CDE-40 form were determined
- Summary general ledger, including the year to date report balances for all accounts, included in the determination of the reported total current operating expenditures (usually Program Code 2700 accounts)
- Detailed ledger reports for expenditure accounts evidencing parts, supplies, purchased services, maintenance, and repairs
- Specific invoices for expenditures as requested
- Other pertinent documentation evidencing allowable expenditures such as, but not limited to:
  - Insurance schedules/invoices (e.g. vehicle, property, workers' compensation, etc.)
  - Utility bills
  - Non-transportation employee salaries/benefits and other support costs (if applicable)
  - Risk management calculation and 'back up' documentation

## Take Away



- When determining total current operating expenditures, the district should consider identifying all possible expenditure accounts that contain expenditures associated with pupil route transportation and ask the following questions:
  - Does this account contain expenditures related **ONLY** to pupil transportation?
    - If yes...
      - Does this account include only 'route' related expenditures?
        - If yes, then 100% of these expenditures can be included in the reported total operating expenditures
        - If no, then the expenditures are allowed at the prorated cost rate in which only a percentage can be included in the reported total current operating expenditures (e.g. the reimbursable percentage)
    - If no...
      - The district will need to determine what percentage of the total account is attributed to non-pupil transportation and reduce said account by that percentage or, if possible, identify which expenditures are non-pupil related and remove those expenditures from the total. Once this is done, the district will then need to determine if the remaining expenditures are 100% attributed to transporting pupils on route, or if they should be included at the prorated cost rate
- When identifying accounts containing pupil transportation related expenditures, the district should be aware that some expenditures may be found in non-transportation related accounts (e.g. in accounts other than program code 2700). Accounts that contain expenditures associated with various insurances, and support costs should be reviewed. In most cases if these additional expenditures are identified, the district will need to utilize a mechanism by which to isolate the portion of such expenditures associated with pupil transportation prior to applying the reimbursable percentage
- When calculating current operating expenditures, the district should not round to the nearest dollar amount, but rather use the exact dollar amount
- When applying the reimbursable percentage, the district should round to the nearest 100<sup>th</sup> place (or two decimal places)
- The district must be prepared to provide documentation to support any, and all, expenditures included in its reported total current operating expenditures. In the event expenditures are attributed only in part to pupil transportation, then the district must have a mechanism by which to isolate the portion attributed to pupil transportation only and should be able to provide documentation to support this mechanism along with documentation supporting the actual expenditure
  - For example, if the district is including property insurance in its total operating expenditures and the invoice does not break out the amount attributed to the transportation garage, the district may apply the percentage of square feet for the transportation garage in comparison to the total square feet for all district buildings to the premium total paid in order to determine the percentage attributed to transportation

# Mileage Scheduled for Regular Pupil Transportation on the Mileage Count Date



As part of the information submitted on the district's CDE-40 claim form, the district must report its total mileage scheduled to be traveled by pupil transportation vehicles on the official mileage count date in transporting all pupils enrolled in its schools.

## Pupil Transportation Vehicle

A pupil transportation vehicle is any vehicles used in whole or in part for the purpose of providing pupil transportation. This includes school buses, small vehicles, and multifunction buses. Examples of small vehicles may include, but are not limited to: vans, suburbans, and expeditions.

## Official Mileage Count Date

The official mileage count date is the same date as the pupil enrollment count date which is Oct. 1 unless that date is a Saturday, Sunday, or major religious holiday. In years where Oct. 1 is a Saturday or Sunday, the pupil enrollment and official mileage count dates will be the following Monday. The Field Analyst Support Team (FAST) will identify the pupil enrollment and official mileage count dates no later than July 1 of the given school year. This information can be found on the FAST website at: <http://www.cde.state.co.us/cdefinance/auditunit.htm>

For the 2015/2016 school year, the official mileage count date was Thursday, Oct. 1, 2015.  
For the 2016/2017 school year, the official mileage count date will be Wednesday, Oct. 5, 2016.

In the event a district is granted an alternative pupil enrollment count date, then the district's official mileage count date will be the same as the alternative pupil enrollment count date. It is recommended that district staff responsible for tracking and reporting scheduled mileage as of the official mileage count date work with the district's pupil count coordinator to ensure that the correct date is used for determining this mileage.

## Scheduled Mileage

Scheduled mileage **DOES** include:

- Scheduled mileage to and from a pupil's legal residence and school in which the pupil is enrolled, including mileage for loaded and unloaded pupil transportation vehicles
- Scheduled mileage between two or more schools in which pupils are regularly enrolled and which pupils are required to attend as part of their scheduled programs

In other words, "scheduled mileage" refers to miles traveled for scheduled routes as of the pupil enrollment count date (e.g. home to school, school to school, and school to home).



Scheduled mileage does **NOT** include:

- Miles traveled for the purpose of providing pupil transportation for pupils of another district
- Miles traveled for school field trips, extracurricular trips, athletic trips, etc.
- Miles traveled in trips which are **NOT** for the purpose of transporting pupils from home to school, school to school, or school to home (route miles)

### Examples of Types of Scheduled Routes

Mileage scheduled for regular pupil transportation as of the mileage count date can include many types of routes. Examples of scheduled routes as of the official mileage count date may include, but are not limited to:

- **Regular:** Typically, these are routes that are scheduled to run every day on which students are scheduled to attend school. They most often include both morning pick-up and afternoon drop-off where students are transported from home to school and school to home
- **Mid-Day:** These routes are typically run during the middle of the school day in order to transport kindergarten and/or preschool students from home to school and school to home. These routes may or may not run every day as not all kindergarten and preschool programs are in session the same number of days as students in 1<sup>st</sup> through 12<sup>th</sup> grade
- **Late:** In addition to regular routes, some districts also run 'late' routes in order to transport students from school to home. These routes are typically run to accommodate those students who stay later than the last bell in order to participate in various school activities. Because these routes are designed to transport students from school to home, scheduled mileage for these routes may be included in a district's scheduled count day mileage
- **Vocational/Technical:** These are regularly scheduled routes that are designed to transport high school students to their scheduled vocational or post-secondary courses offered off-site. Because these routes are designed to transport students from school to school, per the students' schedules, mileage for these scheduled routes may be included in the district's scheduled mileage as of the official mileage count date
- **Tuition Out/Facility:** These are regularly scheduled routes that are used to transport district students to non-district schools or locations. In such cases, the district is responsible for transporting these students because they are district students and the district is paying tuition to another entity to educate the student. In many cases, these routes run more or less frequently than regularly scheduled routes because these schools or programs may follow different calendars than the district calendar
- **Shuttle:** Some districts run route shuttles every day on which students are scheduled to attend school. These shuttles typically run in the morning and in the afternoon for the purpose of picking students up at designated stops near their homes and then transporting them to school, and then picking students up from stops near the school and transporting them to stops near their homes
- **Contracted Transportation:** Many districts contract with other entities in order to provide transportation for their students from home to school, school to school, and school to home. Examples of this type of contracted transportation include, but are not limited to:
  - **3<sup>rd</sup> Party Entity:** There are districts that contract with a 3<sup>rd</sup> party to provide all scheduled pupil transportation. An example of one of these entities is First Student. In the event a district contracts all (or most) of its scheduled routes with another entity, the district may include these scheduled miles in the reported scheduled count day miles on their CDE-40 claim form. It will be the district's responsibility, in this case to ensure it has all documentation from the 3<sup>rd</sup> party entity to evidence scheduled count day mileage

- BOCES: When districts contract with their local BOCES to transport their students from home to school and school to home, the district can include this mileage in the scheduled count day mileage
- Other Districts: In some cases, districts will contract with other districts to transport their students from home to school and school to home. In these cases, the district that is paying to have their students transported can include the contracted scheduled route miles in their total district scheduled route miles as of the official mileage count date. The district providing the transportation and receiving payment to do so should NOT include this mileage with their district's scheduled count day mileage
- Mobile Taxi Services: In the event a district contracts with a mobile taxi service to provide daily transportation for students from home to school and school to home, the mileage may be included in the district's total scheduled count day mileage
- Parent Mileage: In situations where districts contract with parents in order to transport their child(ren) from home to school and school to home, districts can include these miles in with their total scheduled mileage as of the official mileage count date. Parent mileage must be the actual mileage contracted to be traveled

## Documentation

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- Per Board Rule, district documentation must include appropriate mileage reports and route descriptions, as of the official mileage count date, which clearly define the routes and show mileage.
- In the event a district does not have detailed route descriptions that support reported scheduled miles, then route descriptions will need to be supplemented with additional documentation including, but not limited to:
  - Beginning and ending count day odometer readings for each route
- For contracted routes, the district should provide a copy of the contract between the district and the other entity as well as evidence of payment pursuant to that contract
- A calendar indicating scheduled transportation days for contracted routes that follow a different calendar than the district calendar
- Mileage logs for parents who are contracted to drive their student from home to school and school to home to support miles traveled as well as days traveled



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## Take Away

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- In the event a district is relying on beginning and ending count day odometer readings to evidence scheduled count day miles, bus drivers should travel the entire scheduled route on the official mileage count date to ensure odometer readings support the scheduled miles rather than actual
- Maps without detailed mileage information for the routes are not sufficient documentation to support reported count date miles
- In the event the district has any scheduled routes that follow a calendar that differs by three or more days from the district calendar, the district will need to use a split calendar calculation to determine the scheduled count day miles to be reported on the CDE-40 claim form. Information on the split calendar calculation can be found in the Split Calendar Calculation section of this guide

# Split Calendar Calculation



When determining what to report on the CDE-40 claim form for the mileage scheduled for regular pupil transportation as of the official mileage count date, the district will need to determine whether or not it needs to utilize a split calendar calculation. Split calendar calculations must be used if the district has regularly scheduled route(s) that follow calendars that vary by more than three days from the district calendar.

## Examples of When to Use a Split Calendar Calculation

**Example 1:** The district has six routes, and all six routes follow the district calendar. In this case, a split calendar calculation is not needed. The district would report the total number of miles scheduled for regular pupil transportation on the mileage count date as evidenced by their route descriptions and accompanying mileage verification.

**Example 2:** The district has six routes. Four of the routes follow the district calendar and transport students a total of 170 days. The other two routes follow different calendars. One transports students 168 days and the other 172 days. In this case a split calendar calculation is not necessary because the two routes that follow different calendars do not vary from the district calendar by more or less than three days.

**Example 3:** The district has six routes. Four of the routes follow the district calendar and transport students a total of 170 days. One route transports students a total of 180 days, and the other route transport students a total of 165 days. In this instance, a split calendar calculation would be used.

## Conducting a Split Calendar Calculation

In order to determine the total scheduled miles as of the official mileage count date for multiple routes with different numbers of student days, the district must calculate a weighted average of the total scheduled mileage for these routes.

**Example:** A district has a total of 27 regularly scheduled routes plus one set of parents with whom it contracts to transport their child from home to school, school to school, and school to home, and the official mileage count date was Wed. Oct. 1.

### Regular Routes:

- **Description:** The district has a total of 20 regular routes that run both morning and afternoon every day on which students are scheduled to attend school
- **Calendar:** These routes transported students a total of 169 school days (the district calendar showed 170 scheduled days less one day for snow)
- **Documentation:** The district has route descriptions for each of these routes, as well as count day odometer readings completed by the route drivers that show the beginning and ending odometer readings for both the morning and afternoon routes. All drivers were instructed to run the entire



scheduled route for all routes to ensure that the odometer readings reflected the total mileage associated with each route

- Total Scheduled Miles: Based on the count day route odometer readings, the district had a total of 753 scheduled count day miles for their 20 regular routes

#### Mid-Day Route:

- Description: The district has a total of three mid-day routes that run on Monday, Wednesday, and Friday only. These routes are used to drop off AM kindergarten students at their homes after they get out of school in the late morning
- Calendar: These routes transported kindergarten students a total of 102 days (every Mon., Wed., Fri.). The routes follow the district calendar, however they only transport students three days per week instead of five like the regular routes
- Documentation: The district compiled the same documentation as for the regular routes
- Total Scheduled Miles: Based on the count date odometer readings, the district had a total of 124 scheduled miles for their mid-day routes

#### Late Routes:

- Description: The district has a total of two late routes that run on Tuesday and Thursday only. Even though the official mileage count date is on Wednesday, the district can include these miles in their reported scheduled count day miles since they are regularly scheduled routes as of the official mileage count date (i.e. they were established routes as of that date)
- Calendar: These routes transported students a total of 68 days. The routes follow the district calendar, however they only transport students 2 days per week instead of 5 like the regular routes
- Documentation: Since these routes are only scheduled to run on Tuesday and Thursdays, the district provided route descriptions for these routes that were in effect as of Oct. 1 and also provided beginning and ending odometer readings as evidenced by the driver's log from Oct. 2 (or the closest day to the official mileage count date)
- Total Scheduled Miles: Based on the Oct. 2 route odometer readings, the district had a total of 74 scheduled count day miles for their late routes

#### Vocational/Technical Route:

- Description: The district has one vocational route that was scheduled to run on Monday, Tuesday, Wednesday, and Thursday. It is not scheduled to run on Fridays.
- Calendar: This route transported students a total of 136 days. The route follows the district calendar, however, it only transports students four days a week instead of five like the regular routes
- Documentation: The district compiles the same type documentation that they use for the regular routes
- Total scheduled miles: Based on the count date route odometer readings, the district had a total of 54 scheduled count day miles for their vocational/technical route

#### Special Program:

- Description: The district has one route that was scheduled to run on Mondays and Fridays only to transport students to a special program as outlined on their student schedules. Even though the official mileage count date is on Wednesday, and this route only runs on Mondays and Fridays, the district can include these miles in their reported scheduled count day miles because it was a regularly scheduled route as of the official count day



- Calendar: This route transported students a total of 72 days (every Monday and Friday for 36 weeks)
- Documentation: Since this route was only scheduled to run Mondays and Fridays, the district provided a route description for this route that was in effect as of Oct. 1 and provided beginning and ending odometer readings as evidenced by the driver’s log from Oct. 3
- Total Scheduled Miles: Based on the Oct. 3 route odometer readings, the district had a total of 215 scheduled count date miles for the special program route

Parent Route:

- Description: The district contracted with one set of parents to transport their student from home to school and school to home every day in which school was in session
- Calendar: Upon review of the invoices received by the district from the parent and the student’s year-end attendance report, it was determined that the district reimbursed the parent for a total of 161 school days (the student was absent eight days out of the 169 days the district was in session). Board rule states that districts can include only the actual miles in which students were transported for this type of mileage, so the district can only use the number of days the student was actually transported by the parent
- Documentation: Because these were contracted miles, the district must be prepared to provide a copy of the contract between the district and the parents that was dated on or before the official mileage count date for the applicable school year, and clearly states the number of miles the parent was to be reimburses for based on the distance from the parent/child residence and the school. In addition, the district must provide documentation evidencing the number of days on which the district reimburses the parent for transporting the student
- Total Scheduled Miles: In this case, the parent/student residence was 22 miles from the student’s school. The contract between the district and the parent stated that for each day on which the student was transported, the district would reimburse for a total of 88 miles (44 miles for each round trip, AM and PM)

The table below compiles the information above by route type. Each route’s mileage is multiplied by the number of days on which that route was scheduled to run in order to get a total scheduled mileage for the year for each of the routes.

Route Type	Mileage Scheduled as of the Official Mileage Count date	Multiplied by: Number of Days Transported	Equals: Total Scheduled Mileage for the Year
<b>Regular Routes</b>	753 miles	169 days	127,257 miles
<b>Mid-Day Routes</b>	124 miles	102 days	12,648 miles
<b>Late Routes</b>	74 miles	68 days	5,032 miles
<b>Vocational/Technical Routes</b>	54 miles	136 days	7,344 miles
<b>Special Program Routes</b>	215 miles	72 days	15,480 miles
<b>Parent Routes</b>	88 miles	161 days	14,168 miles
<b>Total Scheduled Mileage for the Year for All Route Types</b>			<b>181,929 miles</b>



In order to determine the number of miles scheduled as of the official mileage count date that should be reported on the CDE-40 claim form, the district will need to divide the total scheduled mileage for the year for all route types by the total number of school days as evidenced on the district calendar (less any days that were canceled for weather, etc.)

Total Scheduled Mileage for the Year for All Route Types	181,929
Divided by: Number of Days as evidenced on District Calendar (less any canceled days)	169
<b>Mileage Scheduled for Regular Pupil Transportation on the Mileage Count Date.</b> This is the number of scheduled count day miles the district should report on the CDE-40 claim form	<b>1,076.50</b>

By applying the split calendar calculation, the scheduled count day miles were adjusted to account for fewer days students were transported for the various routes. In this example, even though the total daily mileage for all routes was 1,308 (753 + 124 + 74 + 54 + 215 + 88), the district can only report 1,076.50 miles (as evidenced by the split calendar calculation) since several of their routes were scheduled to transport students for fewer days than what was evidenced by the district calendar. Conversely, if a district typically runs on a four-day week calendar, but they also have some five-day week routes, they may have been under-reporting their total count day mileage in the past.

## Documentation



- Appropriate mileage reports and route descriptions as of the official mileage count date which clearly define the routes and support the mileage for each
- Contracts and evidence of payment for any contracted/parent routes
- Calendars or other documentation (parent reimbursement travel logs, attendance logs for the year, etc.) for any routes that do not follow the district calendar
- Split calendar calculation

## Take Away



- Drivers should travel the entire scheduled route on the official mileage count date to ensure odometer readings support the reported miles
- Maps without detailed mileage information for the routes are not sufficient documentation to support reported count date miles

# Days School Was in Session and Pupils Were Transported During the School Term



A district must report the number of days of school on which pupils were actually transported on the CDE-40 claim form. This will be the number of days, as evidenced on the district calendar, less any scheduled days, that were canceled due to weather, etc.

For example, if a district calendar shows that students were scheduled to attend 170 days, but two days were canceled due to weather and one day was canceled so that the district could support an athletic team in the state championship, then the district should report 167 days on the CDE-40 claim form.

In the event the district has scheduled routes that run more or less frequently than the routes that follow the district calendar by a difference of three or more days, a split calendar calculation will need to be used in order to adjust the reported scheduled mileage as of the official mileage count date. (Please refer to the “Split Calendar Calculation” section of this guide).

Regardless of the number of calendars used in the split calendar calculation, or the total number of miles transported, the district should always report the number of days in which students were actually transported per the district calendar, less any canceled days. In addition, this same number of calendar days should be used in order to complete the calendar calculation.

## Documentation

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- District calendar indicating the number of scheduled student days, less any canceled days, for all routes
- Any additional calendars used in the completion of the split calendar calculation (if applicable)

## Take Away

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- Shortened days should not be considered canceled days unless the district did not actually transport students on those days
- Districts should not take an average of the total number of days in situations where multiple routes follow difference calendars that vary by three or more days from the district calendar. Instead, adjustments should be made to the reported scheduled mileage as of the official mileage count date by utilizing a split calendar calculation

# Actual Miles Traveled by Pupil Transportation Vehicles



Every district is required to report the total actual miles traveled for any purpose by all pupil transportation vehicles on the CDE-40 claim form. In addition, the district must also report how many of these miles were traveled for school field trips, extracurricular trips, and athletic trips by pupil transportation vehicles. The purpose of reporting these mileage totals is to determine the reimbursable percentage that will be applied to those expenditures attributed to both route and activity miles.

## Total Actual Miles Traveled for Any Purpose by Pupil Transportation Vehicles

In order to determine the total actual miles traveled for any purpose by all pupil transportation vehicles, the district **must** track the beginning year odometer reading (taken on July 1) and the end of year odometer reading (taken July 30) for each vehicle used in whole, or in part, to transport pupils. The difference in the odometer readings is the total number of actual miles traveled by each pupil transportation vehicle. This number should equal the total reported miles by type for each vehicle. The district must be prepared to provide all odometer readings, taken on the correct dates, for all pupil transportation vehicles at the time of audit.

## Total Actual Miles Traveled for Activity Trips, Field Trips, Athletic Trips, etc.

In addition to the total miles traveled for any purpose by all pupil transportation vehicles, districts are also required to provide documentation supporting the total actual mileage traveled by pupil transportation vehicles for athletics, activities, field trips, and non-pupil transportation related activities. (This is a sub-set of the total miles traveled for any purpose by all pupil transportation vehicles).

## Reimbursable Percentage

Depending on the expenditures claimed in the total current operating expenditures, most districts will utilize a reimbursable percentage to determine the amount of a given expenditure attributed to route transportation. This reimbursable percentage is applied to those shared costs as outlined in the Total Current Operating Expenditures section of this resource guide (e.g. fuel, repairs, etc.). The reimbursable percentage is determined by the district's reported total actual miles traveled for any purposes by all district pupil transportation vehicles, and the total actual miles traveled for school field trips, extracurricular trips, and athletic trips by pupil transportation vehicles. This percentage is calculated as follows:

(Total Actual Miles Traveled for Any Purpose by all district Pupil Transportation Vehicles)	Minus	(Total Actual Miles Traveled for School Trips, etc. by all district Pupil Transportation Vehicles)
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(Total Actual Miles Traveled for Any Purpose by all district Pupil Transportation Vehicles)

### Example:

A district has a total of 50,000 miles traveled for any purpose by all pupil transportation vehicles. Of those miles, 12,500 were traveled for school field trips, extracurricular trips, and athletic trips. There were no miles traveled for non-pupil purposes by these vehicles. To determine the reimbursable percentage to be applied to the prorated expenditures, the district needs to perform the following calculation:

(Total Miles Traveled for Any Purposes minus Activity Miles) divided by Total Miles Traveled for Any Purposes

$$(50,000 - 12,500) / 50,000 = 37,000 / 50,000 = 0.75 \text{ or } 75\%$$

This means that approximately 75% of all miles traveled by pupil transportation vehicles were attributed to transporting students from home to school, school to school, and school to home (route transportation). In addition, it would then be reasonable to assume that approximately 75% of all shared expenditures can be attributed to route transportation expenditures.

## Documentation



- Spreadsheet or documentation listing all of the pupil transportation vehicles with the beginning year (July 1) odometer reading and ending year (June 3) odometer readings which then can be used to determine the total number of miles traveled by each vehicle.
  - For each listed vehicle, the district should then be able to identify the total number of vehicle miles attributed to pupil transportation (route vs activity) as well as non-pupil transportation.

## Take Away



- For districts that contract with independent contractors to provide pupil transportation services, it is the district's responsibility to obtain total actual mileage and non-reimbursable mileage documentation from the contractors (i.e. odometer readings and documentation to support the breakdown of miles by type)
- Actual mileage accrued by pupil transportation vehicles should not include:
  - Support vehicles not used for pupil transportation
  - Non-pupil miles for pupil transportation vehicles
  - Mileage accrued by district-approved persons due to the absence of a district established bus route
  - Mileage accrued by independent contractors for non-district related transportation services. When calculating total and non-reimbursable mileage amounts, the contractors should deduct all mileage related to transportation provided to other entities



- When reporting total actual miles traveled for any purpose by all pupil transportation vehicles on the district's CDE-40 form, the district must use the total mileage as evidenced by the odometer readings
- The district should ensure that the current year's beginning odometer readings match the prior year's ending odometer readings. If these odometer readings do not match, adjustments to the total miles will likely be made at the time of audit
- In the event that the district does not separate out expenditures attributed to both pupil and non-pupil transportation vehicles, OR if the district has vehicles that are used for both pupil AND non-pupil transportation, and expenditures for those dual use vehicles are included with the pupil transportation vehicles expenditures, then the district must also track the beginning and ending odometer readings for these dual purpose and/or non-pupil vehicles. This will ensure the district has the information needed in order to apply a mechanism (such as a reasonable cost per mile) to adjust for those expenditures associated with non-pupil transportation mileage
- The district should **NOT** use any system generated reports to determine the total actual miles traveled for any purpose by pupil transportation vehicles
- The district should **NOT** determine total actual miles traveled for any purpose by pupil transportation vehicles by taking the total scheduled mileage for the year for all route types plus activity miles (i.e. the district should not multiple the calendar days by the mileage count day miles and add these to the tracked activity miles)