Angelika Schroeder  
Chairwoman  
2nd Congressional District, Boulder  
Terms of Office: January 2009 – January 2019

Joyce Rankin  
Vice-Chair  
3rd Congressional District, Carbondale  
Terms of Office: August 2015 – January 2023

Valentina (Val) Flores  
1st Congressional District, Denver  
Terms of Office: January 2015 – January 2021

Pam Mazanec  
4th Congressional District, Larkspur  
Terms of Office: January 2013 – January 2019

Steve Durham  
5th Congressional District, Colorado Springs  
Terms of Office: January 2015 – January 2023

Rebecca McClellan  
6th Congressional District, Parker  
Terms of Office: January 2017 – January 2023

Jane Goff  
7th Congressional District, Arvada  
Terms of Office: March 2008 – January 2021

Katy Anthes, Ph.D.  
Commissioner of Education  
Secretary to the Board of Education

Elizabeth (Bizy) Cordial  
Director of State Board Relations

For additional information, e-mail: state.board@cde.state.co.us
Table of Contents

Statutory Authority .................................................................................................................................................... 4
Guide Overview and Purpose .................................................................................................................................... 4
Public School Transportation Fund ........................................................................................................................... 5
  CDE-40 Claim Form Data Submission .................................................................................................................... 5
    Data Fields ......................................................................................................................................................... 5
    Reference .......................................................................................................................................................... 5
  CDE-40 Transportation Timeline ........................................................................................................................... 6
Audit .......................................................................................................................................................................... 7
Getting Started ...................................................................................................................................................... 7
Total Current Operating Expenditures .................................................................................................................. 9
  Allowable Expenditures .................................................................................................................................. 9
  Non-Allowable Expenditures ........................................................................................................................... 11
  Deductions and Revenues ............................................................................................................................... 12
  Reimbursable Percentage ............................................................................................................................... 12
Capital Outlay ........................................................................................................................................................ 13
Mileage Scheduled for Regular Pupil Transportation on the Mileage Count Date ............................................. 14
  Pupil Transportation Vehicle ........................................................................................................................... 14
  Official Mileage Count Date ............................................................................................................................ 14
  Scheduled Mileage ........................................................................................................................................ 14
    Split Calendar Calculation ............................................................................................................................ 16
      Conducting a Split Calendar Calculation .................................................................................................. 16
Days School Was in Session and Pupils Were Transported During the School Term .......................................... 19
  Actual Miles Traveled by Pupil Transportation Vehicles .............................................................................. 20
    Total Actual Miles Traveled for Any Purpose by Pupil Transportation Vehicles ........................................... 20
    Total Actual Miles Traveled for Activity Trips, Field Trips, Athletic Trips, etc. ............................................. 20
      Example ....................................................................................................................................................... 21
Appendix- Required Audit Documentation ............................................................................................................. 23
Statutory Authority

C.R.S. § 22-51-105 grants the state board authority to promulgate rules regarding the administration and enforcement of the Public School Transportation Fund.

The Rules for the Administration of the Public School Transportation Fund are published in 1 CCR 301-14.

Colorado Revised Statutes, www.lexisnexis.com/hottopics/colorado/
Code of Colorado Regulations, www.sos.state.co.us/CCR/Welcome.do

Guide Overview and Purpose

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”, as well as to contact any member of the Office of School Finance or the Field Analyst Support Team (FAST) with any questions.
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.

CDE-40 Claim Form Data Submission

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.

- Data must be submitted electronically via the CDE website: https://cdeapps.cde.state.co.us/faqs.html
  o Click on the “Transportation: CDE-40” link on the left side of the screen, under “Applications”
- Completion of the CDE-40 claim form is due no later than August 15 of each year
- First fund payments are made on or before October 15

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.

Reference

1 CCR 301-14, et Seq.
http://www.cde.state.co.us/cdefinance/sftransp
http://www.cde.state.co.us/cdefinance/auditunit_transp
CDE-40 Transportation Timeline

CDE-40 Transportation Timeline
Effective June 2017

6/30/2017 - 7/1/2017
Obtain end of year 16/17 and beginning of year 17/18 odometer readings for district vehicles

8/1/2017 - 10/1/2017
Identify routes and maintain route descriptions and route miles. Obtain calendars for each route, district or otherwise, and set aside for audit

10/2/2017
Official Mileage Count Date
Drivers should travel entire scheduled route and note total scheduled route miles traveled

6/30/2018 - 7/1/2018
Obtain end of year 17/18 and beginning of year 18/19 odometer readings for district vehicles

7/1/2017 - 8/15/2017
Gather mileage ledger, expenditures reports, and other audit documentation for 16/17

8/15/2017
CDE-40 for 2016/2017 due to CDE

7/1/2018 - 8/15/2018
Gather mileage ledger, expenditures reports, and other audit documentation for 17/18
Audit

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. Compliance audits for each district are conducted every 1-2 years, and include not only a review of the district’s CDE-40 claim form data, but also pupil and at-risk counts as outlined in the Rules for the Administration of the Public School Finance Act of 1994.

The transportation portion of the compliance audit will include a review of supporting documentation provided by the district for the amounts reported for the following data fields included in the CDE-40 claim form submission:

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

District 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.

Additional information about the compliance audit process, including audit schedules, questionnaires and contact forms, can be found at the following location:

http://www.cde.state.co.us/cdefinance/auditunit_process

Getting Started

In order to minimize potential audit findings, districts should ensure that all data reported on their CDE-40 claim form reflect amounts related directly to pupil transportation only. This includes considering the following:

- When determining total current operating expenditures, districts should ensure that they exclude non-allowable expenditures associated with pupil transportation vehicles, as well as expenditures related to non-pupil transportation

- 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

- 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:
  - Pupil transportation vehicles (‘yellow fleet’)
    - Vehicles used exclusively (or in whole) for pupil transportation (e.g. buses)
    - Vehicles used for both pupil and non-pupil transportation (or in part) (e.g. suburbans)
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). 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 its small vehicles.

  - 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 a reasonable cost per mile (such as 20 cents) to determine the total amount of the shared costs that should be reduced for the non-pupil transportation miles prior to applying the reimbursable percentage.
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” (i.e. pupil route transportation).

When determining total current operating expenditures, the district should consider identifying all possible expenditure accounts that contain expenditures associated with pupil route transportation, including those that may not be found under program code 2700 (such as insurance premiums, utilities, support costs, etc.), and ask the following question:

- 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

Additional considerations:

- Districts must be prepared to provide documentation to support any, and all, expenditures included in its reported total current operating expenditures at the time of audit. 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
- When calculating current operating expenditures, the district should not round to the nearest dollar amount, but rather use the exact dollar amounts for all allowable expenditures

Allowable Expenditures

Allowable expenditures are any expenditures that are 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/shared cost rate** in which a **reimbursable percentage** is applied to the pupil transportation only expenditure(s) in order to isolate the portion of these expenditures attributed to pupil route transportation only. The vast majority of pupil transportation only expenditures (such as supplies, maintenance, repairs, fuel, etc.) are allowable at the prorated rate as these expenditures are incurred to transport pupils for any purpose (i.e. route, activity, athletics, extracurricular, 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

**3rd Party Pupil Transportation Vendor**

If a district contracts with a 3rd party transportation vendor to transport students on scheduled routes, expenditures for these route transportation services are allowed at the direct cost rate. However any additional expenditures attributed to transporting students on activity trips should be excluded.

**Parent Mileage Reimbursement**

If a district contracts with parents to transport their own child(ren) from home to school, and school to home, these expenditures are allowed at the direct cost rate.

**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, extracurricular 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.
Deductions and Revenues

In the event a district receives grants and/or revenues that off-set allowable expenditures, the district must reduce the total allowable expenditures by revenues received. Usually these revenues off-set prorated or shared cost expenditures. As such, this reduction should be applied to the prorated or shared cost expenditures prior to applying the reimbursable percentage. 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

In the event a district leases their pupil transportation vehicles out during the summer to other entities, and the claimed expenditures include those attributed to maintaining said vehicles during the length of the contract, then it would be appropriate to reduce the shared cost expenditures by any revenue received as a result of the lease agreement.

- For example: A district leases two (2) buses during the summer to a rafting company. As part of the lease agreement, the district provides the bus drivers, fuel, maintenance/repair, and vehicle insurance for the buses. When preparing for the CDE-40, the district determines that the expenditures attributed to these lease miles are included in the expenditure accounts for all pupil transportation miles. In this case, it would be appropriate to reduce the shared cost expenditures by the lease amount received prior to applying the reimbursable percentage. Further, the miles attributed to this lease agreement should NOT be included in the total pupil miles for any purpose, nor in the total pupil activity miles (since they were not incurred in transporting students).

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 pupil transportation only expenditure attributed to route transportation. This reimbursable percentage is applied to all prorated rated/shared costs (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:

\[
\text{Total Actual Pupil Miles Traveled for Any Purpose} \quad \text{by district Pupil Transportation Vehicles} \\
\text{Minus} \\
\text{Total Actual Pupil Miles Traveled for Activity Trips, etc. by district Pupil Transportation Vehicle} \\
\text{Divided by} \\
\text{Total Actual Miles Traveled for Any Purpose} \quad \text{by district Pupil Transportation Vehicles}
\]
In other words, the reimbursable percentage is total pupil route miles divided by total pupil miles for any purpose.

Example:

A district has a total of 55,000 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:

\[
\frac{(\text{Total Miles Traveled for Any Purpose} - \text{Activity Miles})}{\text{Total Miles Traveled for Any Purpose}} = \frac{(55,000 - 12,500)}{55,000} = \frac{42,500}{55,000} = 0.7727 \text{ or } 77.27\%
\]

This means that approximately 77.27% 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 77.27% of all shared expenditures can be attributed to route transportation expenditures.

- When applying the reimbursable percentage, the district should round to the nearest 100th place (or two decimal places).

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 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:

- List of all vehicles used to transport district students from home to school, school to school, and school to home
- 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.
Mileage Scheduled for Regular Pupil Transportation on the Mileage Count Date

Districts are required to report their 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 district vehicle 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 October 1 unless that date is a Saturday, Sunday, or major religious holiday. In years where October 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 at: http://www.cde.state.co.us/cdefinance/auditunit

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 route 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 scheduled route miles (e.g. home to school, school to school, and school to home) on or as of the official mileage count date. Therefore...

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 scheduled routes 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 1st through 12th 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:
  - **3rd Party Entity**: There are districts that contract with a 3rd 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 it 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 3rd 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.

### 3rd Party Pupil Transportation Vendor

If a district contracts with a 3rd party transportation vendor to transport students on scheduled routes, mileage associated with these routes may be included in the district’s scheduled count day miles on the CDE-40 claim form.

### Parent Mileage Reimbursement

If a district contracts with parents to transport their own child(ren) from home to school, and school to home, then the daily contracted miles may be included in the district’s scheduled count day miles, however the district will need to utilize a split calendar calculation to determine the average daily number of miles the students were actually transported.

### Split Calendar Calculation

In the event a district has any scheduled routes that follow a calendar that differs by three or more days from the district calendar, the district should use a split calendar calculation to determine the scheduled count day miles to be reported on the CDE-40 claim form. For example, a split calendar calculation would be used by a district that has six routes: four (4) of which follow the district calendar (170 days), one that follows a calendar with 180 days, and the last one that follows a calendar with 165 days.

#### 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 should 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 Wednesday, October 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 reimbursed 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.

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

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

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 to non-district ran programs, the scheduled count day miles may be higher than actual miles.

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

A district must report the total number of days of school 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. Shortened days (i.e. early release or late/delayed start days) should not be considered canceled days unless the district did NOT transport students on that day.

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 (170 scheduled days minus 3 canceled days) on the CDE-40 claim form.

If the district has routes that run more or less frequently, and must conduct a split calendar calculation then the district should report the number of days the students were transported per the district calendar, less any canceled days. In addition, this same number of calendar days would be used to compete the 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 expenditures attributed to both route and activity miles.

In order to accurately report this information, the district will need to know the type of vehicles used for pupil transportation, as well as the mileage associated with non-pupil transportation vehicles if the district co-mingles expenditures associated with these vehicles with pupil transportation vehicle expenditures.

Because expenditures paid to a 3rd party transportation vendor and/or parents to transport students from home to school, and school to home, should be claimed at the direct cost rate, the district should NOT include miles associated with the transportation vendor or parent when reporting total pupil transportation mileage for any purpose or for activity trip purposes.

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. Please note that total mileage must be determined by odometer readings, not Zonar or route tracking systems used by the district.

In the event the district has vehicles that are NOT used to transport students, BUT the expenditures attributed to these vehicles are co-mingled with the pupil transportation vehicle expenditures, then the district will need to track beginning and ending year odometer readings for these vehicles in order to apply a reasonable cost per mile to off-set expenditures attributed to these vehicles/ non-pupil miles.

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 extracurricular related activities. (This is a sub-set of the total miles traveled for any purpose by all pupil transportation vehicles).
Example

A district has 8 vehicles. Expenditures for all 8 vehicles are tracked in the same transportation fund accounts. There are five (5) vehicles used exclusively for pupil transportation, two (2) vehicles that are used for both pupil AND non-pupil transportation, and one (1) vehicle used exclusively for non-pupil transportation purposes.

Below is a summary of the miles associated with each vehicle:

<table>
<thead>
<tr>
<th>Vehicle No.</th>
<th>Vehicle Type</th>
<th>Use</th>
<th>Beginning Year Odometer Reading</th>
<th>Ending Year Odometer Reading</th>
<th>Total Vehicle Miles</th>
<th>Pupil Transportation Miles</th>
<th>Non-Pupil Miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Bus</td>
<td>Exclusively used for Pupil Transportation</td>
<td>55,811</td>
<td>72,841</td>
<td>17,028.0</td>
<td>15,684.0</td>
<td>1,344.0</td>
</tr>
<tr>
<td>2</td>
<td>Bus</td>
<td>Exclusively used for Pupil Transportation</td>
<td>58,756</td>
<td>81,024</td>
<td>22,268.0</td>
<td>17,952.0</td>
<td>4,316.0</td>
</tr>
<tr>
<td>3</td>
<td>Bus</td>
<td>Exclusively used for Pupil Transportation</td>
<td>71,702</td>
<td>91,536</td>
<td>17,818.0</td>
<td>4,875.0</td>
<td>12,943.0</td>
</tr>
<tr>
<td>4</td>
<td>Bus</td>
<td>Exclusively used for Pupil Transportation</td>
<td>96,799</td>
<td>105,448</td>
<td>8,649.0</td>
<td>5,847.0</td>
<td>2,802.0</td>
</tr>
<tr>
<td>5</td>
<td>Bus</td>
<td>Exclusively used for Pupil Transportation</td>
<td>176,072</td>
<td>198,654</td>
<td>22,582.0</td>
<td>14,658.0</td>
<td>7,924.0</td>
</tr>
<tr>
<td>6</td>
<td>Suburban</td>
<td>Used for both pupil and non-pupil transportation</td>
<td>92,100</td>
<td>115,856</td>
<td>23,758.0</td>
<td>5,485.0</td>
<td>18,273.0</td>
</tr>
<tr>
<td>7</td>
<td>Van</td>
<td>Used for both pupil and non-pupil transportation</td>
<td>35,256</td>
<td>50,705</td>
<td>15,099.0</td>
<td>2,338.0</td>
<td>8,514.0</td>
</tr>
<tr>
<td>8</td>
<td>Maintenance Pick Up</td>
<td>Exclusively used for Non-Pupil Transportation</td>
<td>79,085</td>
<td>98,520</td>
<td>22,535.0</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

| Total Miles | 149,645.0 | 66,839.0 | 41,101.0 | 107,940.0 | 41,705.0 | 149,645.0 |

Notes:

- Because the district tracks all expenditures associated with each of its vehicles in the same transportation accounts, the district must track the total number of miles associated with each vehicle.
- For each vehicle, the district should be able to isolate the number of miles attributed to pupil transportation (i.e. route and activity) and non-pupil transportation. Vehicles used exclusively for pupil transportation (vehicles 1-5) generally should not have miles attributed to non-pupil transportation.
  - If these vehicles have maintenance or fuel miles associated with them, these miles should be classified as either route or activity depending on the vehicle’s primary use.
  - Example: Vehicles 1, 2, 4 and 5 are primarily used for route transportation—therefore maintenance and fuel miles would be classified as “route”. Vehicle 3 is used primarily used for activity transportation—therefore maintenance and fuel miles should be classified as activity miles.
- Vehicles used for both pupil and non-pupil transportation purposes (such as vehicles 6 and 7) should have both types of mileage identified.
- Vehicles used exclusively for non-pupil transportaiton (vehicle 8) should NOT have any reported pupil transportation mileage.
Considerations:
Based on the information provided above, the following is true:

- Total actual pupil transportation miles traveled for any purpose is 107,940 (CDE-40 line 8).
- Total actual pupil transportation miles traveled for activity purposes is 41,101 (CDE-40 line 7).
- The reimbursable percentage is \((107,940 - 41,101)\) or 66,839 divided by 107,940 = .6192 or 61.92%
- In order to off-set expenditures attributed to non-pupil transportation mileage, the district will need to apply a reasonable cost per mile in order to reduce the total prorated/shared cost expenditures prior to applying the reimbursable percentage. This would result in a reduction of $8,341.00 (41,705 non-pupil miles x $0.20 per mile), and would cover fuel, maintenance and repairs associated with the 41,705 non-pupil transportation miles.
Appendix- Required Audit Documentation

**Current Operating Expenditures**

- District work paper(s) explaining how the district determined the total current operating expenditures claimed on the CDE-40 form
- Summary general ledger, including 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
- Other pertinent documentation evidencing allowable expenditures such as, but not limited to:
  - Insurance schedules/invoices
    - Vehicle
    - Property
    - Workers’ compensation
    - Etc.
  - Utility amounts for transportation/bus garage
  - Non-transportation employee salaries/benefits and claimed support costs (if applicable)
  - Risk management calculations and “backup” documentation
  - Contracted pupil transportation evidencing total amounts paid by the district for route transportation
    - 3rd party transportation vendor
    - Parent mileage reimbursement, etc.

**Scheduled Count Day Miles and Total Days Transported**

- Mileage reports and route descriptions which clearly define the routes and show mileage totals (such as route descriptions with scheduled mileage indicated between each stop OR beginning and ending count day odometer readings for each route or segment of route
  - 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
- District calendar showing the total number of days in which students were actually transported for route purposes (scheduled student contact days less any canceled school days for any purpose)
  - If a district uses a split calendar calculation, then
    - District work paper showing split calendar calculation
    - All calendars used in the split calendar calculation along with evidence of scheduled count day miles for each calendar
    - If a district contracts with a parent to transport his/her own child(ren), the district will need to use a split calendar calculation and provide documentation showing the number of days the student was actually transported and the contracted daily mileage.
  - If a district contracts with a 3rd party transportation vendor to provide scheduled route transportation, these miles may be included in the district’s total scheduled count day miles. It is the districts responsibility to obtain all necessary documentation
Pupil Transportation for Any Purpose and for Activity Trip Purposes

- 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
  - 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.
    - Mileage associated with non-pupil transportation vehicles may also need to be provided in the event the district tracks expenditures attributed to these vehicles in the same fund accounts as pupil transportation vehicles
- Documentation and/or report evidencing total pupil miles attributed to transporting students on activity, field, extracurricular, etc. trips.