



**OFFICE OF THE LEGISLATIVE AUDITOR**  
**STATE OF MINNESOTA**

**EVALUATION REPORT**

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**School District Student  
Transportation**

**JANUARY 2008**

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## OFFICE OF THE LEGISLATIVE AUDITOR

STATE OF MINNESOTA • James Nobles, Legislative Auditor

January 2008

Members of the Legislative Audit Commission:

During the 2005-06 school year, school districts spent approximately \$446 million to transport hundreds of thousands of students to and from various school activities. It is a complex function that requires strong management and constant concern for safety.

We found wide variation in performance among districts—from excellent to poor—and several deficiencies in the way the Minnesota Department of Public Safety (DPS) manages its school bus safety responsibilities. As a result, we make several recommendations related to management and safety.

To improve school districts' management of student transportation, we recommend that the Minnesota Department of Education develop, and school districts follow, best management practices. To improve safety, we recommend that DPS improve its bus inspection data systems and conduct more safety inspections that include drivers as well as buses. We also recommend that the Legislature increase the qualifications required for drivers of smaller vehicles used to transport students and require DPS to review a sample of driver files during their annual vehicle inspections.

This report was researched and written by Judy Randall (project manager), Katie Piehl, and Sarah Roberts. The departments of Education and Public Safety cooperated fully with our evaluation.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jim Nobles'.

James Nobles  
Legislative Auditor



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# Summary

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**Improvements are needed in student transportation management and safety practices.**

## Major Findings:

- Minnesota school districts spent \$446 million on student transportation in the 2005-06 school year (pp. 8-9).
- School districts' transportation management practices range from excellent to poor (pp. 22-37).
- Most school districts verify that their school bus drivers are qualified but some do not (p. 28).
- School districts do not provide sufficient oversight of drivers of "type III" vehicles (cars, station wagons, and vans) (p. 31).
- Some districts follow best practices in contracting for transportation services, but others fall far short (pp. 33-37).
- The Department of Public Safety has several significant deficiencies in the way it manages its school bus safety responsibilities (pp. 47-54).
- The Department of Public Safety provides minimal oversight of school bus drivers (p. 51).
- The Department of Public Safety's school bus inspection data system is of limited use to inspectors and supervisors, and data are incomplete and inconsistent (p. 53).

## Recommendations:

- The Department of Education should develop, distribute, and ensure compliance with school district student transportation best practices (p. 39).
- The Department of Education should provide transportation contracting guidelines and a model transportation contract for school districts (p. 39).
- School districts should follow student transportation best practices and contract guidelines to ensure adequate oversight of student transportation (p. 40).
- The Legislature should require additional qualifications for drivers of type III vehicles (p. 41).
- The Department of Public Safety should improve student transportation safety by:  
(1) ensuring that its inspectors provide consistent and thorough school bus inspections and  
(2) conducting more inspections that include bus drivers (p. 56).
- The Legislature should require the Department of Public Safety to review a sample of driver files during its annual student transportation vehicle inspections (p. 57).

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**School districts and the state have important student transportation responsibilities.**

## Report Summary

During the 2005-06 school year, Minnesota school districts spent almost \$446 million on student transportation, including bus driver salaries, vehicle maintenance, and contracts with private carriers who provide student transportation for many school districts in the state.

Beginning in 1997, the Legislature changed how it funds student transportation. Prior to fiscal year 1997, school districts received dedicated funding for student transportation. Starting with the 1996-97 school year, most transportation funding was rolled into school districts' general education revenues. As a result, transportation funding is now included in districts' general operating budget, and districts have increased discretion as to how they use these funds. According to school district staff, some school districts have delayed bus purchases, extended student walk distances, and expanded fees for transportation as a result of these funding changes.

School districts vary significantly in how they provide, manage, and oversee student transportation. While many school districts do an excellent job, others do not ensure that school bus drivers are qualified or adequately oversee the contractors who provide transportation for their district. Additionally, we found that there are deficiencies in how the Department of Public Safety (DPS), the state agency responsible for school transportation safety in Minnesota, manages its school bus safety responsibilities.

This report makes several recommendations to improve student transportation. We set forth student transportation best practices for school districts to follow and recommend that

the Department of Education (MDE) develop additional best practices and a model contract. We also recommend that DPS provide more consistent school bus inspections and increase its oversight of bus drivers.

### **Some school districts adequately oversee their student transportation operations but others do not.**

To learn more about how school districts manage their student transportation, we conducted a survey of all school districts in the state. Almost 95 percent of school districts responded to our questionnaire regarding student transportation policies, driver oversight, and vehicle maintenance. To get a more in-depth view of student transportation, we also visited 34 school districts, including districts in the Twin Cities area and districts across the state, such as La Crescent-Hokah, Pipestone, Roseau, and St. Louis County.

Most of the school districts we visited that directly provided student transportation had complied with the law that requires districts to annually verify that their drivers were qualified to drive a school bus. Many school districts verified their drivers' licenses more frequently. For example, the Windom School District reviews its school bus drivers' motor vehicle records twice a year; Eden Prairie reviews its school bus drivers' records at least four times each year.

In contrast, two school districts we visited did not verify their drivers' licenses, and staff in one district said they "try" to verify drivers' licenses annually but had no record of doing so. Three additional districts responded in our questionnaire that they do not verify their drivers' licenses. Because these districts do not verify the validity of their school

bus drivers' licenses, they do not know whether their drivers are qualified to drive a school bus.

A few districts we visited also did not adequately oversee the drug and alcohol tests required for their drivers. Three districts we visited either did not receive the results of their drivers' drug and alcohol tests or did not conduct required pre-employment tests.

### **School districts' contracting practices varied significantly.**

Through our site visits, we found that school districts' contracts with their private carriers differed substantially. For example, the St. Paul School District had a nearly 200-page contract with detailed specifications, while another district had no written contract; a third district had a one-page contract that only contained payment rates. Without a written contract or performance specifications, school districts have little leverage to ensure adequate service.

School districts' oversight of private contractors ranged from excellent to inadequate. For example, one superintendent who manages his district's student transportation said he had "no clue" as to who his district's school bus drivers were or their backgrounds; a superintendent from another district said part of why the district contracts for transportation is to have one less thing to worry about. Fifteen of the 24 districts we visited that used a contractor for student transportation did not ensure that their contractor annually verified its drivers' licenses. In contrast, five districts we visited either received copies of their contractors' motor vehicle record reviews or reviewed the driver files directly.

In addition, 19 of the 24 school districts we visited that used contractors did not verify that the drivers were subject to random drug and alcohol tests, nor did they learn of the test results. One district said that if they trusted the contractor to transport their students, they could probably trust the contractor to conduct the substance abuse tests. In contrast, the New Ulm School District requires its contractor to provide an annual summary outlining its drivers' drug and alcohol test results. The summary includes the number of drivers in the testing pool, the number of tests conducted, and the test results.

### **There are few requirements for drivers of type III vehicles.**

According to responses to our questionnaire, more than three-fourths of districts own at least one type III vehicle. Among these school districts, 80 percent said they used type III vehicles for special education transportation, 84 percent said they used these vehicles for special activities, and 22 percent said they used them for regular transportation.

In contrast to traditional school bus drivers, there are few requirements for drivers of type III vehicles. Unlike school bus drivers, type III drivers are not required to have a school bus endorsement, pass a biennial physical, undergo a background check, receive annual training, or submit to testing for controlled substances. Drivers of type III vehicles are only required to have a valid class D license, the standard license needed to drive a car.

### **School districts need additional guidance regarding student transportation.**

Many school districts are confused about their student transportation responsibilities. For example, some

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**Some districts that use private student transportation carriers do not have written contracts.**

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**Many districts do not ensure their private contractors verify that drivers are properly licensed and tested for drug and alcohol use.**





























































































































































