



## Better Targeting New York's Pupil Transportation Aid

**December 2012**

Public education from preschool to grade 12 in New York is a \$60 billion enterprise, accounting for one in three state and local tax dollars. Per pupil spending in New York is well above national norms – \$18,825 per student per year compared to \$10,292 nationally – and ranks second among states behind Connecticut.<sup>1</sup> But recent years have not been easy for school districts.

Facing a slow economic recovery and persistent budget gaps, Governor Andrew Cuomo and the legislature have reduced school aid from its peak of \$21.7 billion in school year 2009-10 to \$19.5 billion in school year 2011-12.<sup>2</sup> While aid growth resumed in the current school year by \$805 million and is expected to increase another \$715 million (or 3.5 percent) in the next school year, these increases are far more modest than the annual increases of \$1 billion before the recession.<sup>3</sup> In addition local property taxes are now limited by a tax growth cap of 2 percent. For the 2012-13 school year, 92 percent of school districts adhered to their maximum levy cap in the first round of budget votes.<sup>4</sup>

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The Citizens Budget Commission is a nonprofit, nonpartisan civic organization devoted to influencing constructive change in the finances and services of New York State and City governments.

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Given these constraints, it is more important than ever for school districts and the state to find ways to improve the cost-effectiveness of educational services. Toward that end Governor Cuomo recently announced the creation of the New NY Education Reform Commission, which is expected to submit preliminary recommendations this month. The Commission's goals include examining education funding, distribution and costs.<sup>5</sup>

The Commission's recommendations should include reforms to the aid formulas to better target resources to the neediest districts and promote greater efficiency in school district management. One area that needs improvement is the administration and cost of pupil transportation. Pupil transportation is a major expense in New York State, accounting for 5.7 percent of total school spending at a cost of \$2.97 billion per year.<sup>6</sup> State aid funds \$1.62 billion, or 54 percent, and the remainder is funded by local school districts.<sup>7</sup> Pupil transportation spending is growing rapidly, more than doubling on a per pupil basis from fiscal year 2001 to 2010.

### **New York's High Pupil Transportation Costs**

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School districts in New York spent \$1,100 per pupil on average on transportation in 2010, more than any other state and 140 percent above the U.S. average of \$459. (See Table 1.) Transportation spending by New York City was \$1,033 per pupil, while spending in the rest of the state averaged a higher \$1,141 per pupil – fully 149 percent above the national average. The next highest spending state, New Jersey, spent \$908 per pupil. Two neighboring states, Connecticut and Pennsylvania, ranked in the top ten and Massachusetts ranked thirteenth, spending \$592 per pupil. Among states with large school age populations spending ranged from \$559 per pupil in Illinois to \$238 per pupil in the lowest spending state, California.

Not only are New York transportation costs high, but they are also growing more rapidly than education spending in general. In 2001 school districts in the state spent \$1.51 billion on transportation and by 2010 that figure had more than doubled to \$2.97 billion.<sup>8</sup> Pupil transportation is consuming a larger portion of school budgets; in 2001 it comprised 4.9 percent increasing to 5.7 percent in 2010.<sup>9</sup> The State Education Department estimates transportation costs will grow to 5 percent.<sup>10</sup>

**Table I: Transportation Spending per Pupil, Largest School Systems and New York's Neighbors, FY 2010**

Rank		Transportation Spending per Pupil	Percent Above/Below U.S. Average	Transportation's Share of Total School Spending
1	<b>New York (Excluding NYC)</b>	<b>\$1,141</b>	<b>149%</b>	<b>7.0%</b>
2	<b>New York Total</b>	<b>\$1,100</b>	<b>140%</b>	<b>5.7%</b>
3	<b>New York City</b>	<b>\$1,033</b>	<b>125%</b>	<b>4.2%</b>
4	New Jersey	\$908	98%	5.1%
6	Connecticut	\$753	64%	4.9%
8	Pennsylvania	\$744	62%	5.6%
13	Massachusetts	\$592	29%	3.9%
16	Illinois	\$559	22%	4.7%
21	Ohio	\$522	14%	4.5%
22	Vermont	\$501	9%	3.1%
25	Michigan	\$469	2%	4.3%
32	Georgia	\$386	-16%	4.1%
35	North Carolina	\$365	-20%	4.3%
37	Florida	\$350	-24%	3.9%
51	Texas	\$239	-48%	2.7%
52	California	\$238	-48%	2.5%
	<b>United States</b>	<b>\$459</b>		<b>4.2%</b>

\*Excludes capital expenditures and debt service.

Sources: U.S. Department of Education, National Center for Education Statistics, "Revenues and Expenditures for Public Elementary-Secondary Education," School Years 1999-2000 through 2008-09; United States Census Bureau, "Public Elementary-Secondary Education Finance Data 2009-10."

New York State requirements, described in the text box on the next page, are some of the causes of the high costs. State policy is to provide free transportation to most students; many districts provide free transportation at shorter distances from school than state regulations require. In fact, New York districts transport three-quarters of the student population overall. Outside of New York City the percentage is a higher 84; within New York City the percentage is 71.3 because more students walk to school.<sup>11</sup> Among the group of large and/or neighboring states only Pennsylvania and Connecticut transport a greater percentage of students. Nationally the percentage transported is 59.8 on average. New York State also requires transportation be provided for many private and parochial school students, a practice that is not common in other states.<sup>12</sup> However, New York's spending is high even on a per passenger basis.

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New York City spends \$1,448 per passenger and the average for the rest of the state is \$1,358. For per passenger spending the City and rest of the state rank 6<sup>th</sup> and 7<sup>th</sup>, respectively, and both are well above the national average of \$865.<sup>13</sup>

Transporting special education students is also a significant cost in New York State. For example, in New York City the average cost for transporting a general education student was \$202, compared to \$5,681 for a special education student.<sup>14</sup> These high costs are not unique to New York. The last national study of transportation services for students with disabilities, updated in 2002, showed spending per pupil on specialized transportation services was \$4,418 compared to \$442 for regular transportation services.<sup>15</sup> More recent state studies show similar differentials. In 2007 New Jersey estimated the per-pupil cost of transporting special education students to be \$10,362<sup>16</sup> and in 2008 California reported costs of \$5,315 per pupil in rural districts and \$4,728 in urban districts.<sup>17</sup>

## Flawed Transportation

### Aid Formulas

In New York poorly designed state transportation aid formulas contribute to high total spending and high per pupil costs by aiding wealthy districts too generously and by failing to provide incentives for many districts to contain costs. Districts are allowed to select the

## New York State Pupil Transportation Requirements

**New York State:** Schools outside New York City are required to provide transportation for students in grades K-8 who live more than 2 miles from school and for students in grades 9-12 who live more than 3 miles from school, up to a maximum of 15 miles.

**New York City:** The City has opted to provide transportation for students who live more than one-half mile from school in grades K to 2, more than 1 mile away in grades 3-6, and more than 1.5 miles away in grades 7-12. Students in grades K-6 are eligible for yellow-bus service if they meet the distance requirements, attend a school which offers yellow-bus service, and live on a route with at least 11 eligible students within a total distance of within 5 miles. Students for whom yellow-bus service is not available and meet the residential distance requirements receive a full fare Metrocard; other students can receive a half-fare Metrocard. Full-fare Metrocards may be used for Metropolitan Transportation Authority (MTA) bus or subway transportation. Half-fare student Metrocards can be used only on MTA buses. The student Metrocard program is funded jointly by the State, City, and MTA.

**Students with Disabilities:** For special needs students transportation services are mandated by the federal Individuals with Disabilities Education Act (IDEA) and must be provided in accord with each child's Individualized Education Program (IEP). Schools in New York are required to transport students with disabilities up to 50 miles between their home and school, with distances beyond 50 miles subject to the approval of the Commissioner of Education.

**Private School Students:** Private school students must be provided transportation services to the same extent as public school students, if a written request is submitted by April 1st of the prior year. Approximately 41 percent of non-public students in the state are given public transportation.

**Sources:** NYS requirements from the State Education Department, available at [http://www.p12.nysed.gov/schoolbus/Parents/htm/general\\_info\\_intro.htm](http://www.p12.nysed.gov/schoolbus/Parents/htm/general_info_intro.htm). Information on school responsibilities for transportation of students with disabilities in New York State available at <https://stateaid.nysed.gov/trans/disabilities.htm>. NYC transportation eligibility available from New York City Department of Education, Office of Pupil Transportation, Door to Door (SE) Busing, available at <http://schools.nyc.gov/Offices/Transportation/ServicesandEligibility/DoortoDoor/default.htm>. Private student eligibility available at <http://www.p12.nysed.gov/nonpub/handbookonservices/transportation.html> and data on ridership from the New York State Education Department, *2011 Annual Report: Regional Public Transportation Pilot Program*.

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most favorable among six funding formulas, undermining changes in aid distribution that would be more responsive to changes in enrollment, student need, and local ability to pay. In addition, cost-based reimbursement of 90 percent for many districts erodes their incentive to achieve greater efficiencies. Nearly a third of the 676 districts in the state receive transportation aid at the maximum 90 percent reimbursement rate.<sup>18</sup>

To receive transportation aid, school districts submit claims to the State Education Department (SED) for expenses for allowable pupils, as determined by the distance between their residence and the school, and for allowable expenses (i.e., school bus driver salaries and bus maintenance expenses) specified by SED. Expenses for summer school transportation can be reimbursed, subject to a statewide annual cap of \$5 million for all districts.

Districts then choose the formula under which they will receive aid from among six options. A 'sparsity' factor is then added to the amount generated by the selected option. Districts qualify for the sparsity factor if their enrollment per square mile falls below a threshold set in state law.<sup>19</sup> The amount due pursuant to the final calculation is subject to a maximum total cost reimbursement rate of 90 percent and a minimum of 6.5 percent.

### Alternative Transportation Operating Aid Formulas

#### I-4) Transportation Adjusted Sharing Aid Ratio: $1.263 \times \text{Selected State Sharing Ratio}$

1. State Sharing Ratio Option 1.37-  $\text{CWR} \times 1.230$
2. State Sharing Ratio Option 1.00-  $\text{CWR} \times 0.640$
3. State Sharing Ratio Option 0.80-  $\text{CWR} \times 0.390$
4. State Sharing Ratio Option 0.51-  $\text{CWR} \times 0.220$

These options multiply the applicable general aid factor set by SED (1.263) by a sharing ratio that takes into account local ability to pay by including the Combined Wealth Ratio, or CWR. The CWR is calculated by indexing the district's property wealth and income to the statewide average; an average wealth district has a CWR of 1. Sharing ratio 1 favors the poorest districts and sharing ratio 4 favors the wealthiest.

#### 5) RWADA Transportation Ratio: $1.01 - [(2008 \text{ Actual Valuation}/2009\text{-}10 \text{ RWADA})/\$724,400] \times 0.460$

Under this formula, the 2008 actual property valuation of the school district is divided by the 2009 Resident Weighted Average Daily Attendance (RWADA) and then that figure is divided by a valuation per student that is set in statute – it was \$724,400 in 2011-12 – to derive a ratio that is multiplied by 0.460 and subtracted from 1.01. This option favors districts such as New York City that have higher incomes than property values in their combined wealth calculation.

#### 6) EWR Transportation Ratio: $1.01 - [(2008 \text{ Actual Valuation}/2009\text{-}10 \text{ RPNE})/\$645,500] \times 0.460$

This option is based on a measure of ability to pay called the Enrollment Wealth Ratio, or EWR. It uses the 2008 actual property value in a district per Resident Public and Nonpublic Enrollment, or RPNE, divided by \$645,500. This ratio is then multiplied by a statutory factor of 0.460 and subtracted from 1.01. This formula favors districts with large private school enrollment because it allows those pupils to be counted in the enrollment total.

Source: New York State Department of Education, *2011-12 State Aid Handbook*.

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The formulas generate significantly different state aid amounts for school districts. Table 2 shows the percentage reimbursement yielded by each formula option for a group of districts selected to represent large and small urban, wealthy and poor suburban, and rural areas for the 2011-12 school year. New York City and the other four of the “Big 5” districts also are included. The most favorable choice for each district appears in red, and the final selection, the “Best Option” column on the far right, reflects whether the calculation triggered the 0.90 maximum or the 0.065 minimum.

**Table 2: Comparison of 2011-12 Ratio Choices, Sample Districts**

	Transportation Adjusted Sharing Aid Ratio							Best Ratio Option
	State Sharing Ratio 1	State Sharing Ratio 2	State Sharing Ratio 3	State Sharing Ratio 4	RWADA Ratio	EWR Ratio +	Sparsity Factor	
Binghamton	1.019	0.893	0.785	0.517	0.850	0.838	0	0.900
Buffalo	1.233	1.004	0.853	0.555	0.907	0.916	0	0.900
Rochester	1.283	1.030	0.869	0.564	0.898	0.901	0	0.900
Roosevelt	0.820	0.789	0.722	0.481	0.687	0.681	0	0.820
Great Neck	-3.357	-1.384	-0.603	-0.266	-0.580	-0.545	0	0.065
New York City	0.112	0.421	0.497	0.355	0.549	N/A	0	0.549
Utica	1.295	1.037	0.872	0.566	0.913	0.909	0	0.900
Syracuse	1.266	1.021	0.863	0.561	0.889	0.884	0	0.900
Massena	1.027	0.897	0.787	0.518	0.839	0.825	0	0.900
Scarsdale	-4.959	-2.218	-1.111	-0.552	-0.191	-0.245	0	0.065
Hammondsport	-0.561	0.071	0.284	0.234	0.071	-0.113	0.046	0.330
Yonkers	0.094	0.412	0.492	0.352	0.450	0.497	0	0.497

For Binghamton, for example, formula options range from 51.7 percent under State Sharing Ratio 4 to 101.9 percent under State Sharing Ratio 1. Because the highest figure is above 90 percent, Binghamton’s best option becomes the maximum of 90 percent. Buffalo, Rochester, Syracuse, Utica and Massena also qualify for the 90 percent maximum. For the wealthier districts of Great Neck and Scarsdale all of the formulas yield negative rates; nonetheless they qualify for minimum reimbursement rate of 6.5 percent. Roosevelt, New York City and Yonkers fall in the middle with best option ratios ranging from 49.7 percent in Yonkers to 82 percent in Roosevelt. For Hammondsport, the only selected district qualifying for the sparsity factor of 4.6 percent, the best option is 33 percent.

State law prohibits districts with student enrollment that exceeds 1 million (New York City is the only district in this category) from using the EWR formula. If New York City were allowed to use that formula, its rate would have been 59.5 percent, which is 4.6 percent higher than the RWADA ratio, and would have yielded an additional \$47 million in aid to New York City.

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Because districts are allowed to select the most favorable formula, transportation aid is less well targeted to needy districts than foundation aid. Districts in the highest need decile receive a foundation aid allocation per pupil that is *eight* times the amount received by the districts in the lowest need decile, but the amount they receive for transportation aid is only *four* times greater per pupil; highest need districts receive an average of \$876 per pupil for transportation, while lowest need districts receive \$204. (See Figure 1.) The inequitable distribution is expected to continue in 2012-13 as indicated in the estimates released with the enacted budget.<sup>20</sup>

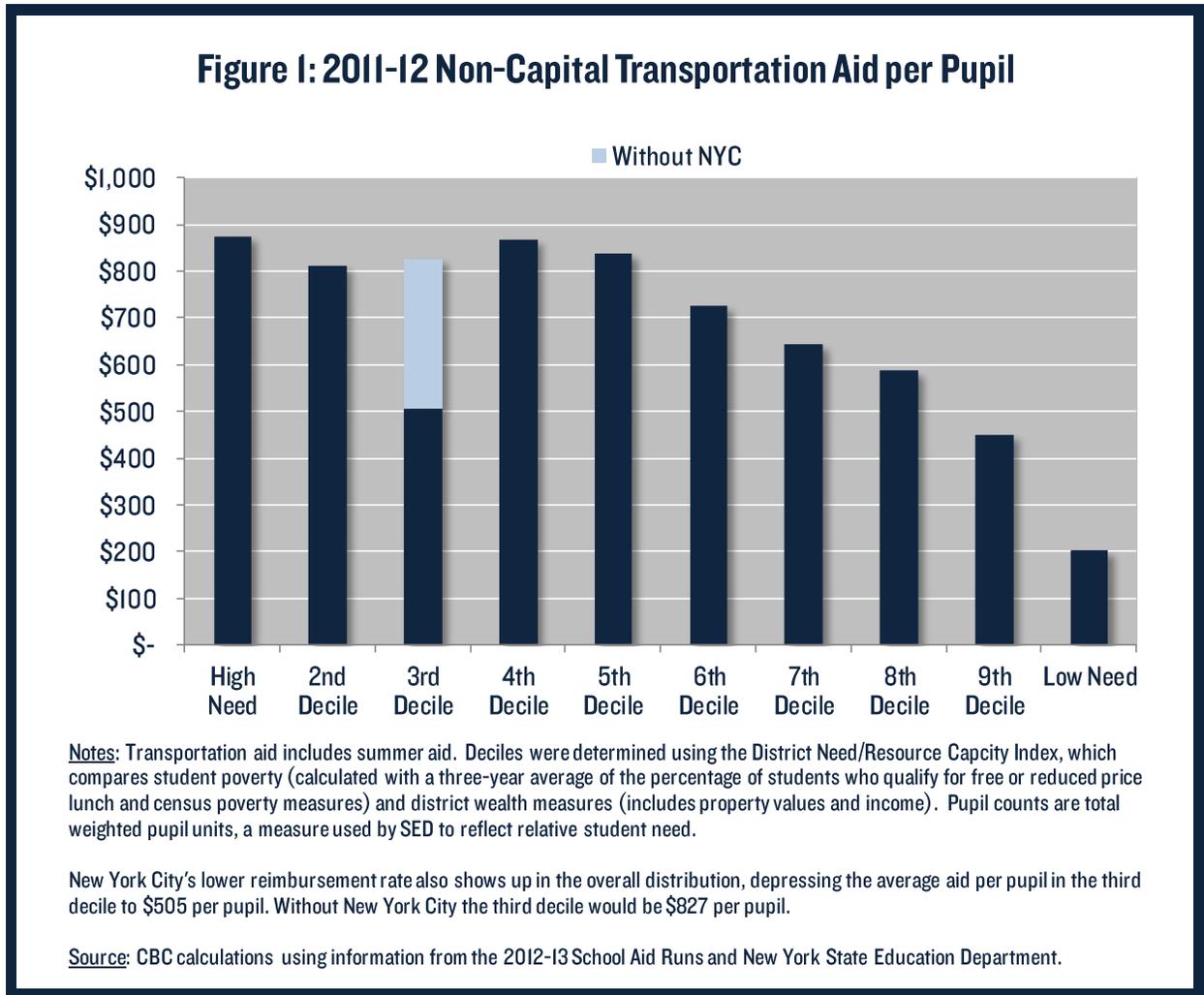
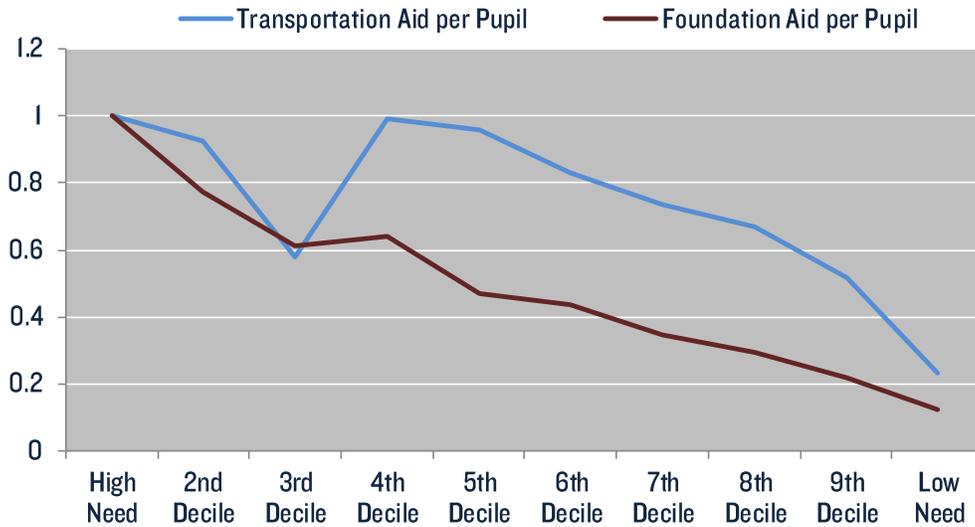


Figure 2 compares the slope of the distribution curve of transportation aid to that of foundation aid. (Per pupil aid in each category is indexed to a value of one for the highest need decile.) Although the distribution of foundation aid is less well targeted than it should be<sup>21</sup> it is better targeted than transportation aid. Foundation aid exhibits a sharper and steadier downward slope from high need to low need districts, providing \$8,520 per pupil on average to high-need districts and \$1,051 per pupil on average to low-need districts. Average transportation aid per pupil in the third decile dips because New York City receives a lower amount per pupil than is typical for the other districts in that decile.

**Figure 2: New York State Transportation Aid and Foundation Aid per Pupil, Indexed Values, 2011-12**



Note: Deciles were determined using the District Need/Resource Capacity Index, which compares poverty (calculated with a three-year average of the percentage of students who qualify for free or reduced price lunch and census poverty measures). Pupil counts are total weighted pupil units, a measure used by SED to reflect relative student need.

Source: CBC calculations using information from the 2012-13 school aid runs.

The formula options also make transportation aid less responsive to changes in enrollment or local wealth over time. Most of the districts in Table 2 had consistent reimbursement ratios over the past five years, despite changes in their demography. For example, Binghamton stayed at 90 percent reimbursement, despite a 20 percent increase in property value and a 5 percent decrease in weighted average daily attendance.<sup>22</sup> If Binghamton had not been permitted to select the most favorable formula which triggered the maximum 90 percent in all five years, then its reimbursement rate would have ranged from 83 to 86 percent in response to changing conditions.

The wealthier districts which received the 6.5 percent minimum also remained constant over time. For Scarsdale and Great Neck, for example, every formula generated a negative outcome, yet these districts were given the 6.5 percent minimum.<sup>23</sup>

## Recommendations

New York State's flawed pupil transportation aid mechanisms contribute to high and rapidly growing costs and generously benefit wealthy districts. A more rational approach would have two elements: (1) simpler and fairer formulas for determining reimbursement rates, and (2) a lower overall average reimbursement rate. These changes would promote greater efficiency by giving districts a greater stake

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in achieving cost savings. The state money saved in transportation aid could be redirected to districts through the more targeted foundation aid formulas and for other educational needs.

**Simplify the formulas.** Other states follow one of five basic approaches to aiding school districts with pupil transportation.<sup>24</sup> Most use less complicated methods than New York. Thirteen states give block grants to districts that provide a set amount. Seven states use an “approved cost” approach, with reimbursement for specific cost items or maximums set based on statewide averages. Twelve states provide aid based on the unit cost per student or per mile. Five states do not provide any transportation aid to districts. Finally, thirteen states including New York use formulas that include factors such as district wealth, density or relative performance.

Block grants and cost standardization are appealing because they are simple, but formulas that include need and ability to pay have the advantage of more effectively targeting limited resources. New York should simplify its current formulas to improve targeting. One formula should be applied to all districts, based upon or equal to the foundation aid ratio.

**Lower the overall reimbursement rate and eliminate the minimum reimbursement for the wealthiest districts.** New York's transportation aid is more generous than its foundation aid for core educational services. As shown earlier in Figure 2, reimbursement rates for districts at each level of need are typically greater for transportation than for basic education. The rates could be brought down by a targeted number of percentage points to create a greater incentive to reduce costs. For example, if the statewide average transportation aid reimbursement rate were reduced from 54 to 45 percent, an estimated \$270 million<sup>25</sup> in State funds could be made available for redirection to foundation aid. Transportation aid for the wealthiest districts, which averages about \$200 per pupil, could also be entirely eliminated.

If transportation aid is reduced, districts will economize and transportation costs in New York are likely to come down or at least grow less rapidly. More districts will likely participate in regional transportation initiatives such as New York's Regional Pupil Transportation Pilot Program authorized in 2010.<sup>26</sup> Alternatively, districts will find others ways to save, such as by using buses more efficiently, sharing routes, coordinating special education transportation, pooling resources for training, and centralizing maintenance needs and inventory. They might also streamline procurement by “piggybacking” on state and federal transportation contracts to obtain better prices through bulk purchasing. Cost containment for special needs transportation is possible using these methods as well.<sup>27</sup>

New York's school districts can be more efficient in providing transportation. New York's passenger-per-bus ratio of 39.9 is well below the national average and results in a national rank of 42 among the 50 states.<sup>28</sup> In addition, audits by the Office of the New York State Comptroller have identified opportunities for savings.<sup>29</sup> For example, an audit of the Lewiston-Porter Central School District found bus routes were operating at only 76 percent of capacity. If increased to 85 percent, the auditors estimated five routes could be eliminated with annual savings of up to \$187,000. Another five routes could be shared with a neighboring district.<sup>30</sup> A similar examination of the Mamaroneck Union Free School District found buses were operating at only 70 percent of capacity for most in-house routes, with

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the potential to eliminate eight buses and save more than \$1 million. Contracted routes (for groups such as private school and special need students) could be restructured to eliminate seven routes and save another \$98,390; route sharing with two neighboring districts could save the district \$106,371.<sup>31</sup> Likewise, the Goshen Central School District was found to be operating buses at 70 percent of scheduled school bus capacity. The auditors recommended eliminating nine bus runs for savings of more than \$1.1 million and route sharing for special education pupils with neighboring districts to save another \$178,381.<sup>32</sup>

Transportation spending in New York is out of line with other states, fueled by inequitable state aid formulas that have limited incentives to contain costs. These formulas should be changed to promote better targeting and improved efficiency, freeing funds now used for transportation for other pressing needs.

## Endnotes

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<sup>1</sup> CBC staff analysis using data from the U.S. Census Bureau, 2010 Tiger/Line School Districts Shapefiles, Public Elementary-Secondary Education Finance Data, Fiscal Year 2010.

<sup>2</sup> New York State Division of Budget, *2010-11 Enacted Budget Financial Plan*, August 20, 2010, p. 63. Available at <http://www.budget.ny.gov/pubs/archive/fy1011archive/enacted1011/2010-11FinancialPlanReport.pdf>. New York State Division of Budget, *2011-12 Enacted Budget Financial Plan*, May 6, 2011, p. 62. Available at <http://www.budget.ny.gov/pubs/archive/fy1112archive/enacted1112/2011-12EnactedBudget.pdf>.

<sup>3</sup> New York State Division of Budget, *Enacted Budget Financial Plan for Fiscal Year 2013*, April 2012, p. 59. Available at <http://publications.budget.ny.gov/budgetFP/2012-13EnactedBudget.pdf>.

<sup>4</sup> New York State School Boards Association, *The New Reality for Schools: The First Budgets Under the Tax Cap*, May 2012, p. 3. Available at [http://www.nyssba.org/clientuploads/nyssba\\_pdf/NYSSBA-NYSASBO-Budget-Report.pdf](http://www.nyssba.org/clientuploads/nyssba_pdf/NYSSBA-NYSASBO-Budget-Report.pdf).

<sup>5</sup> Office of the New York State Governor, “Governor Cuomo Establishes New NY Education Reform Commission.” Press Release April 30 2012, Available at <http://www.governor.ny.gov/press/4302012EducationReformCommission>.

<sup>6</sup> U.S. Department of Commerce, United States Census Bureau, *Public Education Finances: 2010*, June 2012, pg. 7. Available at <http://www2.census.gov/govs/school/10f33pub.pdf>. Annual operating costs do not include the cost of purchasing buses. School districts may either purchase or lease their own school bus fleet or contract for transportation services. Most school districts purchase buses using locally issued bonds and the State helps pay these costs using the same reimbursement percentage as the operating formulas, but the “allowable” amounts are determined with an assumed amortization schedule using a statewide average interest rate, a set term of five years, and an assumed payment schedule. The interest rate is calculated using the related debt service payments from bonds issued in the previous year. Among districts upstate 68 percent of the buses are owned by local school districts. Capital aid formulas are described in New York State Education Department, 2011-12 State Aid Handbook, *State Formula Aids and Entitlements for Schools in New York State as Amended by Chapters of the Laws of 2011*, October 2011, p. 26. New York City’s yellow bus service is provided by private contractors that transport students on a fleet of 9,075 buses according to School Bus Fleet’s *Top 100 School District Fleets of 2012*, October 2012. New York City students who are not eligible for busing take discounted public transportation to school; the cost of the discounts is not included in the City’s pupil transportation expense.

<sup>7</sup> CBC staff calculations based on data from the New York State Education Department, Fiscal Analysis and Reporting Unit, School District Fiscal Profiles, Masterfiles for 2009-10 and 2010-11. Available at [http://www.oms.nysed.gov/faru/Profiles/profiles\\_cover.html](http://www.oms.nysed.gov/faru/Profiles/profiles_cover.html).

<sup>8</sup> U.S. Department of Education, National Center for Education Statistics, “Revenues and Expenditures for Public Elementary and Secondary Education,” school years 1999-00 to 2008-09.

<sup>9</sup> Ibid.

<sup>10</sup> New York State Education Department. *2011 Annual Report: Regional Public Transportation Pilot Program*.

<sup>11</sup> CBC staff calculations using data from *School Bus Fleet*, U.S. Department of Education, National Center for Education Statistics, and the United States Census Bureau. Percent ridership based on most recent data available on passengers and enrollment for each state. New York City passengers include students transported by bus and an estimate of students receiving free Metrocards. The national average excludes Vermont due to unavailable data.

<sup>12</sup> Only 15 states, including New York, provided transportation to private pupils in 2009-10. See *School Bus Fleet, State by State Transportation Statistics*, 2009-10 School Year.

<sup>13</sup> CBC staff calculations using data from *School Bus Fleet*, U.S. Department of Education, National Center for Education Statistics, and the United States Census Bureau. Percent ridership based on most recent data available

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on passengers and enrollment for each state. New York City passengers include students transported by bus and an estimate of students receiving free Metrocards. The national average excludes Vermont due to unavailable data.

<sup>14</sup> New York City Department of Education, *NYC School Based Expenditure Reports for 2009-10*, [https://www.nycenet.edu/offices/d\\_chanc\\_oper/budget/exp01/y2009\\_2010/function.asp?R=2](https://www.nycenet.edu/offices/d_chanc_oper/budget/exp01/y2009_2010/function.asp?R=2). Transportation cost data for other New York State school districts is not available.

<sup>15</sup> U.S. Department of Education, Center for Special Education Finance, *Special Education Expenditure Project, What Are We Spending on Transportation Services for Students with Disabilities? 1999-2000*, Updated November 2002.

<sup>16</sup> New Jersey School Boards Association, *Financing Special Education in New Jersey*. September 2007, <http://www.njsba.org/specialeducation/Transportation-Costs-Students-Disabilities.pdf>.

<sup>17</sup> California State Auditor, *Report 2008-406, Home to School Transportation Program*. February 2008, <http://www.bsa.ca.gov/pdfs/sr2008/2006-109.pdf>.

<sup>18</sup> New York State Education Department, *2011 Annual Report: Regional Public Transportation Pilot Program*, p. 6.

<sup>19</sup> The sparsity factor for 2011-12 is calculated as 21.0 minus Fall 2009 enrollment per square mile divided by 317.88.

<sup>20</sup> The 2012-13 enacted budget estimates approximately \$1,679 million in transportation aid (including summer), up from \$1,616 million in base year aid for 2011-12. Although the highest need districts are projected to receive \$919.46 per pupil on average, and the lowest need districts are projected to receive \$210.78 per pupil, there is still not significant variation among the first five deciles. Additionally, the fourth decile is projected to receive slightly more than the highest need decile, with an average of \$920.79 per pupil.

<sup>21</sup> See Citizens Budget Commission *Improving Poorly Targeted Proposed School Increases*, March 2012, available at <http://www.cbcny.org/cbc-blogs/blogs/improving-poorly-targeted-proposed-school-aid-increase>.

<sup>22</sup> According to the New York State Education Department, Binghamton's property value increased from \$1.265 billion to \$1.523 billion and attendance decreased from 6,332 to 6,026.

<sup>23</sup> Scarsdale's CWR fluctuated between 4.06 and 5.671 and its RWADA decreased from 4,982 to 4,873 over the five year period. Great Neck's CWR decreased from 3.637 to 3.275 and its RWADA fluctuated between 6,556 and 7,182.

<sup>24</sup> State of Washington Joint Legislative Audit and Review Committee (JLARC), *K-12 Pupil Transportation Funding Study. Report 06-10*. November 29, 2006, <http://www.k12.wa.us/QEC/pubdocs/JLARC-K-12PupilTransportationFundingStudy.pdf>.

<sup>25</sup> Calculation based on \$3 billion in transportation spending, of which 45 percent, or \$1.35 billion would be paid by the State. State aid paid at a 54 percent reimbursement rate would equal \$1.62 billion, a difference of \$270 million.

<sup>26</sup> According to the New York State Education Department's *2011 Status Report of Regional Public Transportation Systems*. January 26, 2012, four regions are currently participating in the program: Cayuga-Onondaga BOCES, Greater Southern Tier BOCES, Hamilton-Fulton-Montgomery BOCES, and Rensselaer. Overall there are 41 school districts participating with approximately 70,000 students and a span of 3,295 square miles.

<sup>27</sup> For example, Massachusetts recently assembled a Special Needs Student Transportation Task Force to look for efficiencies in special education transportation. The multi-year initiative focused on developing regional networks for shared transportation and collaboration, and by 2010 these efforts had saved the state \$7.35 million, or 4.4 percent compared to 2004 levels. See Massachusetts Organization of Educational Collaboratives, *Special Education Transportation Task Force Report*, October 2010, [http://moecnet.org/wp-content/uploads/2009/01/Special\\_Education\\_Transportation\\_Task\\_Force\\_Report\\_2010.pdf](http://moecnet.org/wp-content/uploads/2009/01/Special_Education_Transportation_Task_Force_Report_2010.pdf).

## Citizens Budget Commission

<sup>28</sup> CBC staff calculations using data from *School Bus Fleet*. The number of passengers based on 2009-10 enrollment and ridership percentage from the most recent data for each state. New York City figures only include students who receive yellow bus service, and do not include students who receive Metrocards for public transit. National rank includes NYC and the rest of NY as separate entities. Data is unavailable for Vermont.

<sup>29</sup> Office of the State Comptroller, *Lewiston-Porter Central School District: Benefit Trusts and Student Transportation Operations*. 2010M-92, available at <http://www.osc.state.ny.us/localgov/audits/schools/2010/lewistonporter.pdf>; Office of the State Comptroller, *Gowanda Central School District: Financial Condition and Transportation Costs*. 2010M-112, available at <http://osc.state.ny.us/localgov/audits/schools/2010/gowanda.pdf>; Office of the State Comptroller, *Scio Central School District: Transportation Cost Savings and Financial Condition*. 2010M-187, available at <http://www.osc.state.ny.us/localgov/audits/schools/2011/scio.pdf>; Office of the State Comptroller, *Mamaroneck Union Free School District: Transportation Cost Savings*. 2010M-192, available at <http://www.osc.state.ny.us/localgov/audits/schools/2011/mamaroneck.pdf>; Office of the State Comptroller, *Goshen Central School District: Transportation Cost Savings*. 2010M-129, available at <http://www.osc.state.ny.us/localgov/audits/schools/2010/goshen.pdf>.

<sup>30</sup> Office of the State Comptroller, *Lewiston-Porter Central School District: Benefit Trusts and Student Transportation Operations*. 2010M-92, available at <http://www.osc.state.ny.us/localgov/audits/schools/2010/lewistonporter.pdf>.

<sup>31</sup> Office of the State Comptroller, *Mamaroneck Union Free School District: Transportation Cost Savings*. 2010M-192, available at <http://www.osc.state.ny.us/localgov/audits/schools/2011/mamaroneck.pdf>.

<sup>32</sup> Office of the State Comptroller, *Goshen Central School District: Transportation Cost Savings*. 2010M-129, <http://www.osc.state.ny.us/localgov/audits/schools/2010/goshen.pdf>.